China - Peoples Republic of

Post: Shanghai ATO

USDA China Monthly Newsletter from March 2013

Report Categories:
Agricultural Trade Office Activities

Approved By:
Linston Terry

Prepared By:
Joy Wang

Report Highlights:
This monthly newsletter includes articles on: Shanghai Round - United Tastes of America - Asian Chef Challenge; the Processed Seafood Certificate Situation; China (Shouguang) International Vegetable Science-Tech Fair Opening from April 19-May 30; USDEC Speaking at CNCA’s Technical Seminar on Dairy Product Risk Control; U.S. Pears Arriving in China; ATO Staff Meeting w/Shin Kong Plaza Beijing; ATO Chengdu Agreeing to Partner with “Wine Cellar” for Tangjiuhui Wine Tasting; U.S. Craft Beer Meeting with Chengdu Li Chuan Trading Co.; International Beer Giant Offering to Raise Stake in Local Chongqing Brewery; China’s first micro-enterprise home farm opening in Chongqing; Chengdu Kaky Budda Bakery Shop; The largest known distributor for U.S. spirits in the Southwest Region; Chengdu Hua Chuan; Fresh Fruit and Vegetable Training in Southwest China; eCommerce Companies Expressing Great Interest in American Imported Food and Beverage Products; Foodsource Expanding Fresh Fruit Exports to Shanghai as a result of reverse trade mission in 2012; US Dairy Export Council exploring UHT milk exports opportunities with Yihaoedian; ATO ZhangJiaGang port representatives; ATO briefing University of Arkansas Ag Leadership Class; ATO Shanghai Directors Visiting CHIC Group Campus; ATO Shanghai meeting FieldsChina.com, a high-end online food retailer; First shipment of US Pears arriving in Shanghai;
Lexington Brewing hosting a bourbon/ale tasting and info session; ATO Shanghai Assisting with FDA’s meet-and-greet event on the Food Safety Modernization Act; Wisconsin Dept. of Ag working with ATO Shanghai for wood trade delegation visit; Imported Infant Milk Formula Requires 380 Tests for CIQ Registration Number; The First Batch of U.S. Pears Arriving in China; ATO Shenyang Meeting with Key Dalian Agricultural Company; ATO Shenyang Reaching out to High-end Retailers in Dalian; USSEC Participating in First Vessel Comparison Study Between United States and China; COTTON USA: “Naturally Live Your Life” Microfilm Series-The Premiere of “An Encounter with The Real Me”; Chinese Version of Napa Valley Rocks Movies Released; Highlights from China Premier Wen Jiaobao’s speech on government spending for agriculture and rural development in 2012; The 2013 China National Sugar and Alcoholic Commodities Fair in Chengdu; Miss California China Tour 2013; Produce Marketing Association Launching 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. To use the newsletter with working links please use the following URL: http://www.icontact-archive.com/ax046v6l6BKR3bNhR6gW9W_mUF9hkml8?w=3
USDA China e-Newsletter
March 2013 | Volume 2 - Issue 3
www.usdachina.org  www.meiguomeishi.org

Newsletter Content:
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+ Facts & Figures
+ News
+ Trade Policy Updates
+ Upcoming Activities
+ Event Calendar
+ China GAIN Reports

Quick Links:
- Shanghai Round - United Tastes of America - Asian Chef Challenge

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- US Dairy Export Council explore UHT milk exports opportunities with Yihaodian
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USDA China Contacts:
Beijing:
AAOBeijing@fas.usda.gov
ATOBeijing@fas.usda.gov
APHISBeijing@usda.gov
Chengdu:
ATOCheangdu@fas.usda.gov
Guangzhou:
ATOGuangzhou@fas.usda.gov
Shanghai:
ATOShanghai@fas.usda.gov
Shenyang:
ATOShenyang@fas.usda.gov
Hongkong:
ATOHongKong@fas.usda.gov

+ Facts & Figures

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

**BULK**

*Coarse Grains*

<table>
<thead>
<tr>
<th>Year</th>
<th>USD Million</th>
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</thead>
<tbody>
<tr>
<td>2007</td>
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<td>2008</td>
<td>2.86</td>
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<td>2009</td>
<td>48.06</td>
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<td>2010</td>
<td>278.12</td>
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<tr>
<td>2011</td>
<td>842.77</td>
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<tr>
<td>2012</td>
<td>1,309.73*</td>
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<table>
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<td>2011-2012</td>
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*Soybeans*

<table>
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<tr>
<td>2008</td>
<td>7,259.7</td>
</tr>
<tr>
<td>2009</td>
<td>9,193.7</td>
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</tbody>
</table>

- First shipment of US Pears arrives in Shanghai
- Lexington Brewing hosts a bourbon/ale tasting and info session
- ATO Shanghai Assists with FDA’s meet-and-greet event on the Food Safety Modernization Act
- Wisconsin Dept. of Ag works with ATO Shanghai for wood trade delegation visit
- Imported Infant Milk Formula Requires 380 Tests for CIQ Registration Number

**ATO Shenyang**

- The First Batch of U.S. Pears Arrive in China
- ATO Shenyang Meets with Key Dalian Agricultural Company
- ATO Shenyang Reaches out to High-end Retailers in Dalian

**U.S. Cooperators in China**

- USSEC Participates in First Vessel Comparison Study Between United States and China
- COTTON USA: “Naturally Live Your Life” Microfilm Series-The Premiere of “An Encounter with The Real Me”
- Chinese Version of Napa Valley Rocks Movies Released

**Trade Policy**

- Highlights from China Premier Wen Jiaobao’s speech on government spending for agriculture and rural development in 2012

**Upcoming Events:**

- 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

**Shanghai Round of the 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
  - *Taipei*: March 25-26 | 16 Teams
The first annual “United Tastes of America - Asian Chef Challenge” was launched in Tokyo on March 1, followed by a mainland China showdown in Shanghai from March 6-8 at the ZhongHua Culinary Center. 19 teams from across mainland China competed in the Shanghai round of the competition. Chefs from Shanghai’s La Domaine Du Lac were declared winners of the competition with a special US pork shoulder steak that was being smoked inside a wooden wine box as it was being presented to the judges. The team will proceed to the final event at the Taipei International Food Show’s USA Pavilion later this June. USMEF will provide the team with some training in the meantime and assist them in performing chef demonstrations at both HotelEx/Shanghai in April and SIAL China in May. We are optimistic the team will perform well against winning teams from Tokyo, Taipei, and Hong Kong.

The Shanghai Asian Chef Challenge Award Ceremony was held in the Pullman Shanghai Skyway Hotel on March 8. Consul General Robert Griffiths provided opening remarks and presented award certificates to the winning chef teams and judges. 44 media representatives
attended the Award Ceremony. Four TV programs including camera crews from Hangzhou, Jiangsu, ICS “City beat” and “Shanghai Live,” and Tudou.com recorded many parts of the competition and award ceremony. Photos/video of the Shanghai round can be found at: USDAChina flickr

This competition was 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 both sponsored some of the basic ingredients. An experienced panel of six judges including both American and Chinese Chefs oversaw the Shanghai event which was also MC‘ed by two very popular Shanghai cuisine personalities. More than 30 media covered this series of events. The final winning team from the Taipei competition in June will be invited to an all expenses paid training session with the Culinary Institute of America.

### Agricultural Affairs Office - US Embassy Beijing

**Processed Seafood Certificate Situation:** Until further notice, US origin processed seafood shipments presented for import to China must be accompanied by a Certificate of Origin. AQSIQ, China’s import authority, recently affirmed its position that the most recent health certificate for processed seafood does not provide an attestation of origin.

**China (Shouguang) International Vegetable Science-Tech Fair Opens from April 19-May 30:** The 14th annual Shouguang Fair, one of the largest vegetable and vegetable seed trade exhibition events in China, conducts its opening ceremony from April 19-21 in Shouguang, Shandong Province. The Fair Exhibition Center occupies 350,000 square meters of land with eight halls, four vegetable greenhouses, and 2,000 indoor and outdoor exhibition booths. In 2012, over 2,000 agriculture related enterprises from over 20 countries participated in the Fair, and received over two million
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

visitors. There is a special hall for foreign exhibitors, which may provide opportunity for U.S. companies to promote their seed or vegetable products in China.

USDEC Speaks at CNCA’s Technical Seminar on Dairy Product Risk Control: On March 5, the U.S. Dairy Export Council (USDEC) provided an overview of the U.S. risk control system for dairy products. This two-day seminar was hosted by China’s National Certification and Accreditation (CNCA) and attended by over 200 attendees, including Chinese inspectors/regulators and representatives of foreign governments. This technical exchange generated insightful discussions and suggestions on how to resolve mutual issues. In 2012, U.S. dairy exports to China totaled $415 million.

U.S. Pears Arrive in China: The Animal and Plant Health Inspection Service office in Beijing, our Agricultural Trade Offices in Shenyang and Beijing, and representatives from the Pear Bureau Northwest (a USDA Cooperator) welcomed the first shipment of U.S. pears to China (valued at $100,000).

- 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

ATO Chengdu Agrees to Partner with “Wine Cellar” for Tangjihui Wine Tasting: Wine Cellar, a significant Chengdu retailer of imported wines, agreed to donate its 3rd floor on March 26 to conduct a U.S. wine tasting at no cost. The venue will hold 15 U.S. wine companies. Wine Cellar currently carries a very limited supply of U.S. wine - three labels - but is looking to expand U.S. labels this year.

U.S. Craft Beer Meeting with Chengdu Li Chuan Trading Company: On March 5, ATO/Chengdu visited Chengdu Li Chuan Trading Co. (LCT), the largest known distributor for U.S. craft beer in
Chengdu. LCT also distributes Chinese liquor, which is currently 50% of his business, but he sees a bright future for craft beer. LCT started distributing beer in 2008 and U.S. craft beer in 2011. Through its own market research, LCT estimates U.S. craft beer has 10% market share in Chengdu, compared to German beer at 60%. Belgium is second most popular. However, in the past two years, both sales volume and market share of U.S. craft beer is increasing. For full story, please click here.

**International Beer Giant Offers to Raise Stake in Local Chongqing Brewery:** Carlsberg A/S, the world’s fourth-biggest brewer, will offer to buy as much as USD $466 million of shares in Chongqing Brewery Co. as it seeks to tighten its grip on the Chinese beer maker. Carlsberg, which already owns a 29.7 percent stake in the Chongqing municipality-based brewer, will offer 20 yuan ($3.2) a share for a further 30 percent stake in the maker of Shancheng brand beer. The deal will be financed through existing facilities and may take as much as 12 months to complete.

**China’s first micro-enterprise home farm opens in Chongqing:** A farm called The Zhang Yuzhe Organic Vegetable Farm has registered China’s first micro-enterprise family farm in the Three Gorges reservoir region from the Industrial and Commercial Bureau in Wanzhou district of Chongqing municipality. This is China’s first micro-enterprise family farm with license registered at industrial and commercial sectors. The family farm concept first appeared in the No.1 document of the central government in 2013. The family farm plants 1.3 hectare of vegetables with farmyard manure. Two farming machines, one transport cart, and five farm employees are the preliminary industrial standard of micro-enterprise.

**Blooming rape flowers in China’s Sichuan**

**Chengdu Kaky Budda Bakery Shop:** ATO Chengdu met with American-managed Chengdu Kaky Budda Bakery (KBB) on March 7 following their request to find U.S. craft beers. KBB is a new company, registered last fall and opened on March 19, 2013. The owner has lived in Chengdu for over 6 years and has conducted market research since that time to identify what American foods fit Chinese consumer preferences. They will sell such things as cheese cake, cupcakes, nuts, deserts, beer, wine, etc. All current ingredients are purchased from Metro and a local wholesale market. ATO Chengdu introduced KBB to local beer and food processing.

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**Recent News:**

North Carolina Small Business, Jenny’s Pickles, Grows Sales in China, Becomes Ex-Im Bank’s 500th ‘Express Insurance’ Customer (youtube)

China to see record imports for soy in 2013/14 Despite falling short of forecasts in long-term projections, China’s...
soy imports will reach a record in 2013-14, due to declining local production at a 21-year low. (Source: efedlink.com)

Taiwan will not lift ban on US pork imports containing ractopamine
Taiwan will not remove the restrictions on US pork imports containing ractopamine as the government would not succumb to outside pressure and sacrifice the livelihoods of farmers in trade negotiations with the US. (Source: efedlink.com)

China feed mills buy 120,000 tonnes of US corn
As prices start to fall, China's feed mills bought at least 120,000 tonnes of US corn this week, in the first purchases made this year. (Source: efedlink.com)

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

Chinese call for additive verification baffles American suppliers
(Source: Foodnavigator-asia)

Social media threat behind food packaging growth
Sometimes the most interesting information comes from the most unlikely sources, like a hardcore engineer having a highly unexpected take on the effect of social media on packaging machinery… Read. (Source: Foodnavigator-asia)

RedLuxury.com
China’s $80 billion Wedding Market
Chinese E-Tailers Going Global
Chocolatiers tap into China’s Gift Giving Culture

The largest known distributor for U.S. spirits in the Southwest Region:
On March 7, ATO Chengdu visited Sichuan Xin Tian Feng Trading Co. (XTF), the largest known distributor for U.S. spirits in the Southwest Region. They are the exclusive Southwest region representative for Moët Hennessy Diageo (MHD) and Pernod Ricard. XTF estimates they have approximately 50% of the distilled spirits market in Southwest China and 50% of its sales are in Chengdu where its warehouse is located and all product flows through. XTF does not currently import. It would only consider doing so for new-to-market products. For full story, please click here.

Chengdu Hua Chuan - China’s 3rd largest alfalfa importer:
On March 11, ATO Chengdu met Chengdu Gaoxing Hua chuan Agricultural Technology co., Ltd. The company was established in July 2012, but is already reportedly China’s 3rd largest alfalfa importer, having imported 30,000 MT from the United States. Please click here for full story.

Fresh Fruit and Vegetable Training in Southwest China:
A series of Fresh Fruit and Vegetable Training Courses was carried out by Washington Apple Commission in Guiyang on March 13, Chengdu on March 18, and Kunming on March 21. They were all well attended by local retailers, fruits chain stores, importers and distributors. The training provided in-depth information about Washington State agricultural products and their proper handling, transportation, and storage. ATO Chengdu invited contacts to join the training and the Director gave a welcome speech at the Chengdu training session. Many retailers showed great interest in doing promotions with ATO and U.S. cooperators.

ATO Shanghai

eCommerce Companies Express Great Interest in American Imported Food and Beverage Products:
ATO Staff had several meetings during month of March with several eCommerce companies including Cofco’s WoMai.com, TMall.com (like US Amazon), DaZongDianPing.com (Cross of Groupon and Yelp), FieldsChina.com (like a virtual Wholefoods Market), Yihaodian.com (WalMart’s on-line partner in China), and the Shanghai Commerce Bureau/eCommerce Section. All these entities are asking us to introduce them to more and more importers/distributors of American food and beverage products. ATO staff also participated in an AmCham seminar titled “Making On-Line Marketing Pay.” Two eCommerce experts discussed China’s rapid use of eCommerce and social media tools that can be used to bring consumers to both off/on-line sales platforms. We are working on some reports to describe these tools as well. It appears that the rapid development of eCommerce in China’s coastal areas may have an impact on further
March 2013 WASDE Summary
Commodity Reports [http://www.fas.usda.gov/currwmt.asp]
- Cotton: World Stocks Continue to Climb
- Grain: EU Wheat Exports Boost Demand for Corn
- Oilseeds: Drought and Uncertainty Lead to Reduced Argentine Soybean Crush
- World Agricultural Production: Argentina Corn: Timely Rain Benefits Stressed Corn Crop (Source: Global Commodity Analysis Division)

Campbell Soup aims to break into Chinese market through chef endorsements
WantChinaTimes.Com

Wangfijing, Taubman set up second JV
Chinese department store chain Beijing Wangfujing Department Store Group and US-based mall operator Taubman Centers Inc. will set up a second JV - a shopping centre in the city of Zhengzhou, capital of Henan province. The mall will open in Q2 2015. Taubman will invest USD35.5m in the JV and enjoy majority interest with Beijing Wangfujing. Another Chinese firm, Maple (Zhengzhou) Real Estate Development Co, will own a minority stake in the project.

It's all about Character - Marketing in the Middle Kingdom
Ihaveanidea.org

China's Internet is a Giant Shopping Mall - infographic - alibaba.com

Smithfield says it will meet development of traditional brick and mortar supermarkets. TMall shared with us an infographic which points out that more than 242 million Chinese shop on the internet. 75 million more than in the USA, double the number of on-line shoppers in Japan, and six times the number in the UK. In 2013, Chinese consumers are expected to spend more than $265 billion shopping on-line surpassing the world's current largest on-line retail market, the United States. ATO Shanghai will continue to develop relationships with these and other leading on-line retailers in China and help promote American food and beverage products through these new channels. US companies simply have to get their products into China, make sure the ingredients can be registered, stick on a proper Chinese back label, move the product into the eCommerce company’s Distribution Center, provide the eCommerce company with marketing info/video content and let the sales begin. The Shanghai Commerce Bureau even approached us and told us they created a new eCommerce section to assist foreign companies with their eCommerce efforts in China. They informed us they can provide many services including special tax breaks for companies that open with them in a new eCommerce Trade Zone they plan to open in Shanghai in coming months. Please take a look at the Alibaba/TMall eCommerce infographic at: http://www.alibaba.com/activities/ibdm/china_online_consumer_infographic.html

Foodsource Expands Fresh Fruit Exports to Shanghai as a result of reverse trade mission in 2012: The General Manager of Foodsource, a C.H. Robinson company, visited Shanghai from Mar 4-5. The purpose of this visit was to meet with fruit importers and retailers in Shanghai to explore and expand fresh fruit exports opportunities. ATO Shanghai introduced several fruit importers to Foodsource during a reverse trade mission to PMA in 2011. Foodsource succeeded in developing business relationships with two importers from the mission and has sold several containers of fruit to a fruit retailer based in Shanghai. During the Foodsource visit to Shanghai, ATO staff arranged a meeting with RT-Mart, one of the most successful super market chains headquartered in Shanghai, to discuss business opportunities. FoodSource is a leading produce supply chain expert, providing services and flexible solutions to retail, wholesale, and foodservice operators. It is the fourth largest fresh fruit distributor in the United States. Its parent company C.H. Robinson is one of the world's largest third party logistics providers, but started nearly 100 years ago as a fresh fruit distributor in Minneapolis. (FX)

US Dairy Export Council explore UHT milk exports opportunities with Yihaiian: A senior consultant of the USDEC travelled to Shanghai to conduct market research for UHT milk products during the week of March 6. ATO staff introduced USDEC representatives to Yihaiian (YHD), the online supermarket of Wal-Mart China, and set up a meeting for a market research interview. YHD carries a total of 56 brands and 182 SKUs of milk and milk beverage from 18 countries. Managers from YHD revealed that sales...
China's deadline on pork

CHICAGO, Feb 21 (Reuters) - Smithfield Foods Inc, the world's largest pork processor, said on Thursday it will be able to supply pork that is free of the feed additive ractopamine in time to meet a March 1 deadline by China.

China, the world's largest pork consumer and the third largest market for U.S. pork with sales of over $800 million last year, wants pork from the United States to be verified by a third party from March 1 to be free of ractopamine, an additive that promotes lean muscle growth.

US pork exported to the Chinese mainland and Hong Kong last year was valued at USD886m.

www.Reuters.com

ATO meets ZhangJiaGang port representatives: ZhangJiaGang is the largest river port in East China, which receives large volumes of imported pork, soybeans, cotton and other agricultural product shipments from United States and other countries. In collaboration with CIQ and the Customs agents in the port, the ZhangJiaGang port management is planning an International Consumer Goods Center and an Imported Wine Market in its free trade zone, to provide smooth and efficient port clearance service to its clients. ATO had a meeting with the administrative committee of ZhangJiaGang on attracting more exporters and importers of U.S. Ag and food products to use the facilities that the port provides in the future.

ATO briefs University of Arkansas Ag Leadership Class: ATO provided a lunch briefing to a group of 23 Arkansas business leaders recruited from the LeadAR Class. LeadAR is a rural and agricultural leadership development program sponsored by the University of Arkansas Division of Agricultural Cooperative Extension. In addition to the briefing, ATO Shanghai staff joined them on visits to Sam's Club and Tyson Foods in Haimen City. The team was led by the Walmart Marketing team on a tour of Sam’s Club. The Walmart reps provided a detailed overview of the market and Walmart’s master plan for Shanghai and east China.

ATO Shanghai Director Visits CHIC Group Campus: On March 15th, ATO Shanghai Director and staff visited the CHIC Group’s main office/research and development campus and met with Edward Zhu, founder and CEO of the CHIC Group. Edward was an investment banker who came back to China nearly 20 years ago after studying abroad and found himself investing in Chinese agriculture. CHIC Food is the private label manufacture for Del Monte canned mandarin and peaches. Every year, CHIC Food exports thousands of containers to the United States. In addition to the export business, CHIC Group has become involved in several rural development projects and agricultural education programs in China. Due to their
domestic production success achieving very high food safety standards and production yields, the Chinese government is using CHIC Group as a model farming operation. In addition, UNESCO has partnered with CHIC on a Biosphere Integrated Rural Urbanization Program of about 100,000 acres in Chongqing. CHIC is also talking about cooperation in China with UC Davis, Driscoll's fruit, and the Culinary Institute of America.

CHIC Harmony, UNESCO and CEIBS will host the 2nd China International Agri-Business Forum in Beijing on May 11. The theme of the forum is “Value Creation and Pricing Power across the Industrial Chain, the Key to Success in a New Era of Agricultural Development.” The forum aims to explore how enterprises can win in the intensively competitive agricultural-industrial chains and how to find opportunities in the course of agricultural modernization. (FX)

ATO Shanghai met with FieldsChina.com, a high-end online food retailer: On Feb 22, ATO staff paid a visit to FieldsChina which was founded in 2009 in Shanghai and aims to provide families with healthy and safe groceries. FieldsChina offers a wide range of safe, high quality domestic and imported foods, including meat, poultry, seafood, baked goods, dairy, beverages, and ready to serve products. It offers same-day delivery to Shanghai customers and delivery service to neighboring cities such as Suzhou, Wuxi, Nanjing, Hangzhou, and Ningbo several times a week. Tzuizhuang, a chef and well-known writer, works with Fields China to educate consumers on different food ingredients by creating recipes and posting these recipes on Sina Weibo, a popular Chinese microblogging site. In the coming weeks, ATO Shanghai will introduce American food importers and cooperators to FieldsChina expanding our presence of American food products on China’s rapidly evolving netosphere. (FX)

First shipment of US Pears arrived in Shanghai: The first container of US pears arrived in Shanghai on Wednesday, Feb 27th. The importer, Lantao Trading Company, informed ATO Shanghai that they plan to sell the majority of the shipment to consumers in Northern China, as they are more familiar with Anjou pears. ATO Shanghai is connecting Lantao with buyers in Shanghai. ATO Shanghai is exploring potential promotion opportunities with OCJ, a Shanghai-based TV shopping channel, to raise consumer awareness. From March 1-4, the US Pear Bureau coordinated a series of training seminars for Shanghai importers and retailers to learn more about US pears. The seminars were delivered by Louis Ng, US Pear Bureau representative in China, to Superfresh, Fruitday, Sam’s Club, Ole and Citysuper. Topics such as production, variety, packing and labeling, and handling and merchandising were discussed. ATO staff participated in two of the seminars and is encouraging more and more local retailers to carry US pears. (FX)

Lexington Brewing Co. hosts a whisky/ale tasting and info session: On February 27, Kentucky-based Lexington Brewing and Distilling Company, which is part of Alltech Feed Ingredients company
hosted a tasting event, showcasing some of its products including Town Branch Bourbon, Pearse Lyons Reserve Malt Whiskey, and our favorite, Kentucky Bourbon Barrel Ale. Dr. Pearse Lyons, the founder and owner of Alltech, led the event with a presentation on the US brewing and distilling industry and then presented several trade and media guests with some samples of his products. Three of Lexington’s products are already in the China market while a new product will be launched in China soon. ATO Director and staff members attended the event and introduced some traders and media contacts to the Lexington marketing team in China. Dale Largent, Chief of the US Consulate’s Public Affairs Section, also attended the event. (XM)

ATO Shanghai Assists FDA introduce FSMA (Food Safety Modernization Act): ATO introduced FDA staff to the Ringier Publishing company that organized a Food Safety and Nutrition Conference in Shanghai from March 6-7. Dr. Chris Hickey agreed to be a keynote speaker for this 2nd annual event. Dr. Irene Chen, FDA Guangzhou Office has also agreed to give a FSMA presentation at the USDA-endorsed Food and Ingredients China trade show on March 27. ATO Shanghai will also coordinate a meet-and-greet event for a more private group session led by Dr. Chen for several trade contacts involved in two way food trade. This is part of FDA’s outreach activities to inform stakeholders about recent updates to the Food Safety Modernization Act. Two proposed regulations under the FDA Food Safety Modernization Act were recently published for public comments. These two proposed regulations concern the safety of fresh produce and manufacturing standards for processed foods. (FX)

Wisconsin Dept. of Ag working with ATO Shanghai for wood trade delegation visit: The Wisconsin Department of Agriculture, Trade & Consumer Protection will organize a wood trade mission to China, scheduled for March 26 to April 1, 2013. The group will first visit the Interzum show in Guangzhou, then conduct retail visits and meet with traders in Shanghai. The trade mission includes Tigerton Hardwood Lumber, Krueger Lumber Company Inc., Granite Valley Forest Products and Hurd Windows & Doors. ATO Shanghai will brief the delegation on the Shanghai Market and coordinate meetings and retail visits in Shanghai. (SZ)

Imported Infant Milk Formula Requires 380 Tests for CIQ Registration Number: On March 4, ATO Shanghai met with K-Loong International Trading for the first time. This 1.5 year old importer/distributor carries a wide variety of non-American products, but is interested in picking up American products in the future. The company recently worked with a client to import infant milk formula from New Zealand. According to this company, a registration number from the China Chambers of Commerce of Food Stuffs and Native Produce (CNFA) is required before infant formula can be imported. To obtain that number the formula is being tested for 380 compounds. The process may take up to six months. Once the number is obtained, clearing customs could still take a couple of months. They indicated the issuance of a CIQ health certificate
from YangShan and WaiGaoQiao ports in Shanghai both take about 30 working days after clearance of first time shipments and 20 working days after clearance for subsequent shipments. Importers cannot sell their products until they have the health certificate. (SZ)

- **ATO Shenyang**

**The First Batch of U.S. Pears Arrive in China:**

Consul General Sean Stein of U.S. Consulate General in Shenyang and Deputy Mayor Liu Yan of Dalian officiated the Welcoming ceremony for the first U.S. pears' arrival in China.

On Feb 21st, 2013, the first shipment of U.S. pears to China - three containers of U.S. northwest pears - arrived in Dalian, Liaoning Province. A welcoming ceremony was held the following day attended by the Vice Mayor of Dalian, the Consul General of the U.S Consulate in Shenyang, the Regional Director of APHIS, the U.S. Agricultural Trade Office in Shenyang and the China Representative of the U.S. Pear Bureau Northwest. A wide range of media, from CCTV to local newspapers, covered the ceremonial opening of the first container. The shipment of about 3,000 boxes of Green and Red d’Anjou pears were imported by Dalian Yidu Group, one of the largest imported fruit dealers in China. Yidu placed the purchase order right after the announcement of the Sino-U.S. bilateral agreement that allows shipments of American pears to China. The Pear Bureau Northwest expects that around 40,000, 44-pound boxes of Northwest pears will be sold in China through April and up to 300,000 boxes within three years, potentially making it the fifth largest export market behind Mexico, Canada, Brazil and Russia.

**ATO Shenyang Meets with Key Dalian Agricultural Company:**

ATO Shenyang along with the Consul General met with Dalian Anywide Co. Ltd, one of the largest agricultural companies in Dalian. Anywide has a wide range of businesses, including agriculture, real estate development, hotels, industrial manufacturing, logistics, etc. It plans to open a number of small-scaled high-end retail stores and

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**Event Calendar:**

**2013 United States Trade Show Calendar**

**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 13-15**

VIV Asia 2013, Bangkok, Thailand.

Please click [here](#) for an overview of the event and highlights.

**Mar 13-16**

Supply Chain and Logistics Showcase 2013, Shanghai

**Mar 18-19**

PMA Global Development Council Mtings, Shanghai
Mar 22-24
Xiaoshan Plant & Flower Trade Show, Zhejiang Province - Susan Zhang

Mar 26-28
Food Ingredients China, Shanghai USDA Endorsed Show - USA Pavilion

Mar 28-31
The 2013 Tang Jiu Hui - China National Sugar and Alcoholic Commodities Fair, Chengdu - USA Pavilion - ATO CD

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

April 9-10
South Dakota Governor Daugaard and Ag Sec Bones visit to Shanghai

Apr 12-14
California Governor Brown/Ag Sec Karen Ross visit to Shanghai

Apr 14-16
China International Catering, Food and Beverages Exposition - ATO Beijing

April 12-21
Taste Napa Valley - China

 grapes
Napa Valley/California Wine Trade Missions to Hangzhou, Shanghai, Beijing and Xian.

April 16-18
PLMA 2013 Executive Education and Training Program Shanghai

include imported foods in their product mix, which ATO Shenyang sees as a great opportunity for cooperation. Anywide would also like to enlarge its dairy herd and increase milk production, which is another area for cooperation.

ATO Shenyang Reaches out to High-end Retailers in Dalian: As the top GDP city in northeast China, Dalian’s retailing industry is in the stage of quick development. ATO Shenyang recently reached out to a few high-end supermarkets in Dalian, such as Sam’s Club and MyKal. The director of U.S. Agricultural Office in Shenyang was impressed by the imported foods section in the new Sam’s Club’s store and hopes to conduct a U.S. food promotion in the near future to help increase the awareness of American food to Dalian people.

• U.S. Cooperators in China

USSEC Participates in First Vessel Comparison Study Between United States and China

The first Vessel Comparison Study (VCS) was conducted at Tacoma Export Marketing Company (TEMCO) in the Seattle/Tacoma, Washington area from February 22-March 2, 2013. This study is the implementation of the memo of understanding, signed in 2010, on soybean inspection and quarantine cooperation between China’s Administration of Quality Supervision Inspection and Quarantine (AQSIQ) and the U.S. Department of Agriculture (USDA). Read more.

COTTON USA: “Naturally Live Your Life” Microfilm Series-The Premiere of “An Encounter with The Real Me:” (Guangzhou, January 29, 2013) Marking the start of a new year, Cotton Council International (CCI) successfully held in...
April 18-21
Wisconsin Governor Walker’s visit to Shanghai

April 21-23
Virginia Governor Robert McDonnell, Agr Sec Todd Haymore - Opening of VA Agricultural Office in Shanghai; Annie Kang

April 26-28
Beijing International Import Food Expo

May 7-9
SIAL China, Shanghai, USDA Endorsed Show

May 11
2nd China International Agri-Business Forum in Beijing

May 18-21
National Restaurant Association (NRA)/ American Food Fair, Chicago - ATO SH RTM

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

Guangzhou the premiere ceremony of “An Encounter with The Real Me”, its first microfilm in a series titled “Naturally Live Your Life”. The ceremony, attended by China Director for CCI Ms. Karin Malmstrom, lead actress Ms. Zhang Xinyi and the main production team, saw the film-makers share interesting behind-the-scene stories and discuss the concept of “real” lifestyles with attending guests. CCI’s licensed companies and brands also lent their support, organizing a fashion show under a “starlit sky” to offer guests a true glimpse of delightfully “real” moments.

“An Encounter with The Real Me” tells of a touchingly “real” love story, featuring a seemingly mismatched boy and girl who remove their “masks” after a second encounter to show their most “real” selves. Moved by each other’s natural and beautiful characters, the protagonists finally find in one another their own “Ms. / Mr. right”. With this microfilm, CCI aims to encourage consumers to reveal their true selves and achieve the most natural lifestyle by staying “real”.

Chinese Version of Napa Valley Rocks Movies Released:
The seven-part series digs deep into what makes Napa Valley America’s premier wine growing region. Diverse soils, climatic variations, ideal geography, people of passion, winemaking innovation, and groundbreaking land stewardship are just a few of the narratives that tell the unique story of what makes Napa Valley America’s premier wine growing region. Now those stories are available in a series of short videos produced by the Napa Valley Vintners.

This Napa Valley Rocks video series explores the confluence of factors that sets the wine region apart from any other in the world. Based on three scientific studies, the Napa Valley Rocks videos piece together how Napa Valley’s unique Mediterranean climate, extensive soil diversity, and innovative viticulture practices provide Napa Valley winemakers with unique conditions to produce consistent high quality wines. Through interviews with notable vintners and industry experts, the series brings to life the mosaic of elements that culminate in a bottle of Napa Valley wine. The Napa Valley Rocks videos, along with other educational resources, are available for viewing and download at www.napavalleyrocks.com and now these movies are also available in a Simplified Chinese version found on this page or you can also find them on Youku. Napa Valley Vintners will bring a team of vintners to China in mid-April and plan to visit Hangzhou, Shanghai, Beijing and Xian.
Must Watch Videos:

United Tastes of America - Asian Chef Challenge:
- ICS “Shanghai Live”
  http://www.tudou.com/home/usdachina
- Jiangsu TV
  http://v.youku.com/v_show/id_XNTI4NzY0MTE2.html

Miss Jenny’s Pickles - North Carolina Export Success Story:
Meet Jenny and Ashlee of Miss Jenny’s Pickles. After being burned by the stock market, these entrepreneurs built a pickle business with an old family recipe. After breaking into hundreds of stores in the United States, they set their sights on international exports and made their way into the Chinese market. Miss Jenny puts it, “95 percent of the world lives outside the United States. If you are not exporting and bringing money into the country and getting your product out there, you’re missin’ the boat”
  www.youtube.com

Jenny Fulton on Food Shows, by NC Agr Dept
  www.youtube.com

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+ Trade Policy:

Highlights from China Premier Wen Jiaobao’s speech on government spending for agriculture and rural development in 2012:
- The 2012 Central budget expenditure for agriculture and rural development totaled 1.2 trillion RMB, compared to 391.7 billion RMB in 2007;
- Subsidies to grain farmers reached 192.3 billion RMB in 2012, compared to 63.9 billion RMB in 2007;
- Agricultural loans reached 17.6 trillion RMB in 2012, compared to 6.1 trillion RMB in 2007; and
- Over the past five years, 84.6 million rural residents moved to the cities, which caused urbanization to improve by 52.6 percent.

The Ministry of Finance’s 2013 draft budget to the NPC:
- The proposed 2013 Central budget for agriculture and rural development increases spending by 11.4 percent to 1.4 trillion RMB, of which “four subsidies” (grain, seed, machinery, and inputs) will reach 170.1 billion;
- Strengthen subsidy policies on agricultural inputs, seeds, and agricultural machinery;
- Expand coverage and increase level of subsidies on agriculture insurance premium; and
- Facilitate modern agriculture production and development of farmer cooperatives, to support innovation of farming operation units, and capacity building of rural social services.

Comments from Minister Han Changfu of China’s Ministry of Agriculture:
Grain production is the primary target in 2013, so China will try its best to maintain self-sufficiency in grain. China’s self-sufficiency of rice, wheat and corn was 98 percent in 2012, so food security is ensured in China. In 2012, China imported over 10 million tons of grain (wheat, corn and rice) to meet consumer demand. China also imported rice because of cheap global prices and grain companies’ rebuilt their stocks.

Vice Minister Niu Dun of China’s Ministry of Agriculture:
Vice Minister Niu Dun blamed food safety problems (particularly for dairy) in China on China’s multiple regulatory system and called for an integrated regulatory system. VM Niu added that organic food is not necessarily safer or healthier than regular food. Natural toxins, as well as pests and diseases, need to be addressed by chemicals. Under the current environment and pollution levels in China, it’s impossible to produce complete, safe organic food in China. China’s primary issue remains to be feeding such a large population.

The information provided above is from the recently concluded Chinese People’s Political Consultative Conference (CPPCC) and National People’s Congress (NPC) on China’s agriculture and rural development. Discussions were focused on identification of rural land rights, urbanization, food security, prices for agricultural products, and migrant labor. This information was pulled from various media.
+ Upcoming Events:
**The 2013 Tang Jiu Hui - China’s 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 provide space 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 more information, please contact ATOChengdu@fas.usda.gov.

**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:
- China Permissible Fruits and Import Quarantine Procedure from senior CIQ official (invited)
- Update on Global Production and Supply Trends for Products Permissible into China
- Global Food Safety Best Practices
- Traceability and PLU Practices
- 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 atmichaelstewart@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

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 or by phone (021) 6279 7119.

+ GAIN Reports (Global Agricultural Information Network)
- Draft Measures for Major Crops Variety Registration_Beijing_China - Peoples Republic of_3-12-2013
- Administrative Measures for National Food Safety Standards_Beijing_China - Peoples Republic of_3-11-2013
- Proposed Regulation of GM Food_Hong Kong_Hong Kong_3-8-2013
- Northwest Pears appeal to micro-bloggers as a new holiday treat_Guangzhou_China - Peoples Republic of_3-8-2013
- South China’s Hidden Treasures Report Retail Market Profile_Buoya_Guangzhou_China - Peoples Republic of_3-8-2013
- OILSEEDS AND PRODUCTS ANNUAL_Beijing_China - Peoples Republic of_3-6-2013 Consolidation in the Hong Kong Wine Market_Hong Kong_Hong Kong_3-5-2013
- BaP Action Level Set for Cooking Oil_Hong Kong_Hong Kong_2-28-2013
- Pulse Annual 2012_Beijing_China - Peoples Republic of_3-5-2013
- Livestock and Products Semi-annual_Beijing_China - Peoples Republic of_3-4-2013
- China Agricultural Trade Report in 2012_Beijing_China - Peoples Republic of_2-25-2013
- Asian Chefs Gear up for Culinary March Madness_Tokyo ATO_Japan_2-27-2013
- Tapping into South China’s growing U.S. Craft Beer Market_Guangzhou_China - Peoples Republic of_2-19-2013
- Live Horse Markets in China_Beijing ATO_China - Peoples
Republic of 2-22-2013
- HK Officially Allows U.S. Bone-in Beef Exports to Resume. Hong Kong. Hong Kong. 2-21-2013