

AFFI hosts 2007 Frozen Food Convention in Monterey, CA

By Robert L. Wallack, AJOT

The 39th annual American Frozen Food Institute (AFFI) Frozen Food Convention was held February 24-28, 2007 in Monterey, California. One-thousand two-hundred twenty-two delegates from the US and 20 different countries attended this year's convention. The AFFI is a 65-year-old national trade association based near the nation's capitol. It represents members of the frozen food industry's supply chain, manufacturers, distributors and packagers. Attendees looking to export were able to meet with buyers on trade missions from China, Bahrain and the United Arab Emirates.

Dr. Robert Ballard, eminent geophysicist and deep-sea explorer, was the keynote speaker at the opening breakfast. He spoke about the use of advanced technologies in his 120 deep-sea expeditions. He stressed the need for science education. "Internet 1 (I1) is the dirt road of the information superhighway and Internet 2 (I2) is going to revolutionize exploration and education," said Ballard.

Dr. Ballard's presentation was preceded by AFFI officers who highlighted 2006 accomplishments. Foremost among the 2006 AFFI achievements was the reaffirmation that frozen fruits and vegetables are nutritious and safe. "AFFI cited scientific research about the nutritious benefits of the freezing process," said Richard Grader, Chairman AFFI. He explained that AFFI communicated to various government entities throughout 2006, "...the truth about the safety of frozen foods during the food borne illness outbreaks related to E. Coli."

Also in 2006, a Logistics Committee was developed; a new logo was unveiled in cooperation with the National Frozen & Refrigerated Foods Association and AFFI funded the first research project awarded to Michigan State University to, "...investigate the viability of using commercial freezing more extensively as a food safety technology," concluded Grader.

CONVENTION DELEGATES FIND INT'L. TRADE OPPORTUNITIES

During the Convention, AFFI was assisted by the Western United States Agriculture Trade Association (WUSATA), based in Vancouver, Washington, to facilitate international trade from inbound trade mission buyers with convention delegates.

"WUSATA is a quasi-government organization funded by the Foreign Agriculture Services branch of the United States Department of Agriculture (USDA), member State Departments of Agriculture, and hundreds of private industry firms, to promote exports of food and agriculture products (frozen foods) from the 13 Western states," according to Janet Kenefsky, Generic Program Manager, WUSATA. AFFI's President

and Chief Executive Officer, Leslie Sarasin said, "I am pleased with the three year success of AFFI's collaboration with WUSATA to make these trade missions possible."

USEFUL CONNECTIONS

Jenny's Lou's, a Beijing supermarket chain, and Beijing Prestige Foods Trading Co., Ltd., an importer, made useful connections with Convention delegates to increase their frozen product offerings to customers in China. Jenny Lou's has 12 stores in the Beijing embassy area to cater to the expatriate community. "We are trying to establish direct buying from United States suppliers for all consumer products, and we are very interested in the products at the Convention," said Ms. Wang, sales representative, Jenny Lou's, Beijing. She talked with Birds Eye, Pillsbury and Kahiki Foods about business. Jenny Lou's also satisfies the tastes of other expatriate communities with stores in Guangzhou, and under the City Supermarket stores in Shanghai, China.



Arthur Tian, General Manager – Beijing Prestige Foods Trading, Ms. Wang, Sales Representative – Jenny Lou's

Sara Lee cheesecakes, Ben & Jerry and Häagen-Dazs ice cream, along with wine, yogurt, cheese and frozen pizzas are consolidated for shipments in Chicago into 40 foot refrigerated containers with some dry containers of groceries. "The containers are transported by rail to the United States West Coast ports of Los Angeles or Oakland," said Mr. Mitra, the Chicago based transportation representative for Beijing Prestige. KWE, San Francisco, handles the freight forwarding for the refrigerated movements and ships

to the Port of Tianjin, South of Beijing via APL, COSCO or Evergreen ocean container liners. China's domestic logistics trucking companies make the final delivery to Beijing.

In 2006, "Four 40-foot refrigerated containers were shipped and eight containers are projected for 2007, with 20 40-foot containers per year planned for the future," according to Mitra. "Seventy percent of Jenny Lou's products are sourced from the US without any problems in the door to door 'cold chain' service," said Arthur Tian, General Manager, Beijing Prestige Foods Trading.

Tian remarked about the customer demand for meat, especially sausages, poultry and seafood. No matter how well prices are checked and negotiated, there are inspection regulations in China for beef and poultry for health and quarantine. "There are major hurdles for inspection and quarantine for meat in China," said Tian.

In the US market, 2003 sales for US frozen meat, poultry and seafood amounted to \$4.87 billion, an 8.4% increase over 2002 of total frozen food sales of \$29.2 billion, according to AFFI's website. Hui Bao Trading, Co., Ltd., Guangzhou and Carrefours, Guangzhou, are Euro-
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pean supermarket chain, discussed potential seafood sourcing from the US via Hong Kong.

SATISFYING JAPAN'S DEMAND FOR WILD BLUEBERRIES

Merrill Blueberry Farms, Inc. of Ellsworth, Maine enjoys satisfying Japan's huge demand for wild blueberries. Japanese buyers recently received two 40-foot refrigerated containers of 54,000 pounds each, packed to the brim in 30 pound cartons. Slip sheets were utilized, since wooden pallets are forbidden in Japan. The shipment was made from Halifax, Nova Scotia.

"The Japanese customers wanted five containers and 500,000 pounds, but we have limited supplies, with good US customers, such as wholesale to Sara Lee, Swans and Mrs. Smiths," said Delmont N. Merrill, D.B.A. and President, Merrill Blueberry Farms, Inc. Merrill processes six million pounds per year and has freezer capacity to hold 12 million pounds of frozen wild blueberries at -20 degrees Fahrenheit. His family-owned business began in 1925 and innovated the process of freezing wild blueberries by the Individually Quick Frozen (IQF) method, which is a cryogenic system for freezing over 10,000 pounds per hour. The method preserves taste and nutrition for over two years. Clearly, the IQF method benefits distributing to overseas markets.

Guest speaker Mark Simone, Agriculture & Fisheries Division, US International Trade Commission (USITC), spoke about barriers to exporting processed foods in the International Trade Committee meeting. Exporting meat and poultry to China is difficult, despite World Trade Organization (WTO) membership, which has reduced tariffs.

Non-tariff barriers remain, however, such as quarantine inspection permits (QIP), restrictive food additive standards, meat labeling, and Avian influenza bans. "The QIPs slow down or halt commerce without prior notification or reason," said Simone. He remarked, "Only 30% of China's food consumption is processed, whereas in developed countries 80% is processed. China is in the top 10 US export markets for beef," he said, "but there is no agreement on the inspection protocol."

The USITC is a non-partisan quasi-judicial federal agency developed to administer US trade remedy laws and maintains the US Harmonized Tariff Schedule for the President and Congress.

The AFFI is planning to expand international trade programs for its members in order to promote US frozen foods abroad. "AFFI will organize US delegates of frozen food manufacturers to go to international trade shows and is working with the International Association of Refrigerated Warehouses (IARW) and the World Food Logistics Organization (WFLO) on a "Cold Chain" project to improve infrastructure in developing countries for imports and exports of frozen food products," said John Allen, Food Scientist, AFFI. Next year's Convention will take place in San Diego, California, February 23-27.