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TECHNICAL ASSISTANCE TO THE VITAMINKA FACTORY

Volume II - Part II

Marketing Report
(Draft)

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IV FROZEN VEGETABLES

1. General

2. United Kingdom

2.1 Size of market

Vegetables have always constituted a major element in the United Kingdom frozen food market, and currently account for half the total frozen food market. The market for frozen vegetables is expanding although the increasing costs of raw materials and labour have put pressure on manufacturers' margins.

Total frozen vegetables market

	£m at r.s.p
1968	43.5
1969	51
1970	50
1971	54
1972	59
1973	-
1974	87

Production

Home production of frozen vegetables in the United Kingdom is very considerable as the following figures show:

	(tons)			
	1971	1972	1973	1974
Green peas	77,700	98,800	111,900	129,200
Green beans	23,900	19,900	35,400	32,500
Brussel sprouts	12,400	16,700	18,000	20,300
Potatoes & products	83,600	93,400	142,000	168,500
Other varieties	9,300	10,300	13,900	10,800
Totals	206,900	235,100	321,200	361,300
Retail packs	2,200	1,400	5,200	8,300
Catering packs & bulk	204,700	233,700	316,000	353,000
Fruit	1,300	1,700	1,400	1,500

Production levels for 1972 were almost double those of ten years earlier for peas, brussel sprouts and green beans.

Total production of frozen vegetables has increased from 235,100 tons in 1972 to 361,300 tons in 1974.

2.2 Consumption

Consumption of frozen vegetables in the United Kingdom was approximately 257,000 tons for 1972. Principal products were peas (95,000 tons), french beans (25,000 tons), brussel sprouts (15,000 tons) and broad beans (2,700 tons); frozen potato products reached a record level of 105,000 tons.

The following table shows annual household per capita consumption of the principal types of frozen vegetables:

	1972	1973	1974
	(ozs per capita per year)		
Peas	62 (1.8 kg)	70 (2 kg)	(figures not available)
Beans	21 (0.6 kg)	24 (0.7 kg)	
Chips and other quick-frozen potato products	15 (0.5 kg)	27 (0.8 kg)	

Consumption of frozen potato products is continuing to increase rapidly.

As the following figures show, an increasing proportion of frozen vegetables produced in the United Kingdom is being used for catering and bulk packs:

	1971	1972	1973
Retail packs	2,200	1,400	5,200
Catering packs & bulk	204,700	233,700	316,000

This trend towards larger packs is very much related to the increase in the home-ownership of freezers. In 1974 sales through the 900 home freezer centres went up by at least 10 per cent.

The number of freezers installed in the home exceeded three million by the end of 1974 which meant that 16% of households owned a freezer. They consumed over 40% of frozen foods used in the home.

Consumer preferences

Peas continue to be the most popular type of frozen vegetable.

With regard to beans, recent research among British consumers indicates that they prefer their green beans to have a greater number of long slices, a crisper texture and more flavour. As a result, Birds Eye, the leading manufacturers of frozen food in the United Kingdom, have installed new machinery that will prevent any breakage of long slices during the harvesting-to-picking cycle. Additionally, the beans will be packed in larger bags to help prevent damage in transit. Birds Eye are now aiming for two-thirds of the bean slices to be over 1½" in length and consequently there will be fewer small pieces. Green beans are the second most popular green vegetable after peas and account for 20% of total frozen vegetable sales.

Reflecting the increasing demand for frozen potato products, Findus, another leading manufacturer, have recently introduced frozen potato cakes. These are made from potato blended with margarine, seasoned, and then coated with golden breadcrumbs.

Packaging

Small packs take the form of 4oz, 6oz and 1 lb cardboard boxes. "Special" products, such as petit pois, spinach and asparagus are normally packed in these small containers.

Main products such as peas, beans, chips, etc are tending to be packed in large polybags. The standard size for this large pack is 2 lbs, although packs of up to 5lb are becoming increasingly widespread. Chips are often sold in 5 lb polybags.

Consumers seem to prefer large polybags because they are cheaper and more convenient to use. In addition, the increase in home-ownership of freezers has meant that a greater number of people are buying in bulk.

Regional and class variations in consumption

The following table outlines housewives' purchasing of frozen vegetables by age, class and geographic division:

Frozen vegetable buying

(all housewives in a given months)

	Peas	Beans	other vegetables
	%	%	%
ABC1	63	37	23
C2	51	26	22
DE	41	18	14
16-24	46	30	21
25-34	51	28	22
35-54	56	30	22
55+	49	23	16
North	37	17	19
Midlands	53	24	15
South	65	38	23
All	52	27	20

As might be expected, frozen vegetables, especially those other than peas, have a bias away from the lower income groups. The greatest differences are to be found in the analysis by area, with buying levels decreasing in the North.

Consumption trends

Consumption of frozen vegetables has risen steadily over the last ten years and it seems likely that this trend will continue especially in view of the fact that increasing numbers of consumers are buying freezers. The following table shows the dramatic increase in the sales of freezers since 1965.

Sales of home freezers

1965	29,000
1966	35,000
1967	36,000
1968	57,000
1969	100,000
1970	215,000
1971	350,000
1972	530,000
1973	850,000
1974	714,000

The development of freezer centres in the United Kingdom is largely unique in Europe. Benefitting from the lack of selling space for bulk pack frozen foods in supermarkets, specialist chains, such as Bejam, have sold both freezers and frozen foods. Freezer ownership is rising rapidly and reached a level of 16% at the end of 1974.

2.3 Imports

Imports contribute a relatively small proportion of total consumption of all major products and their share of the market has recently fallen still lower - a trend headed by imports of frozen peas and potatoes. Frozen beans are now the most important commodity in trade followed by peas. Among other vegetables, calabrese, sweetcorn and carrots are all increasing in importance.

United Kingdom imports of frozen vegetables reached a peak of 55,000 tons in 1968, double the level of six years earlier. There followed a recession and shipments dropped as low as 21,300 tons in 1971. Imports were up again in 1972 and rose to 38,000 tons in 1973. Much of this expansion will, however, be met by home production. Our forecasts of major product imports for 1975 and 1980 are as follows:

(tons)

	1975	1980
Beans	10,500	12,000
Peas	7,000	8,000
Brussel sprouts	2,500	2,500
Potatoes	2,000	2,000

Frozen potatoes

United Kingdom imports of frozen potatoes are now minimal as compared with local production, and we do not envisage overseas supplies as showing any real growth in the near future; the opportunity for new exporters to the market is negligible. Potatoes are not listed as a separate item in official statistics.

Frozen beans

Imports are principally of french beans and a limited growth may be anticipated in the future. After the expansion in consumption from the mid-1960's to around 1970, demand has now tended to level off. More than half of the supplies will continue to come from home production. Supplies come from a variety of sources, including the Netherlands, Spain, South Africa and Italy. The following table shows United Kingdom imports of frozen beans:

2.4 Exports

Although exports of frozen vegetables from the United Kingdom are growing they are still relatively small. The following tables show exports of principal frozen vegetables.

2.5 Tariffs, quotas and regulations

This information is in Appendix I.

2.6 Local Manufacturers

The European frozen food market is dominated by two manufacturers, Unilever and Nestle. The United Kingdom is no exception to this rule. Over the past decade, Birds Eye, (Unilever) has been the main force in the United Kingdom frozen food industry. This company's aggressive marketing policy built both the market and Birds Eye, making the two almost synonymous. Pressure of competition in the 1960's caused the other main competitors to merge, namely Fropax (Associated Fisheries), Eskimo (Union International) and Frood (J.Lyons). In 1968 this combined group joined Findus (Nestle), the outcome being a joint Findus-Lyons company with the other two having been bought out. Recently Lyons sold out its stake to Nestle. Other major brands - Ross, Smedley and Youngs - were bought by Imperial Tobacco in 1969..

Frozen Vegetable Market

Brand Shares in 1974

	%
Birds Eye	35
Findus	10
Sainsbury	9
Ross	4
Others	42

One part of the United Kingdom market which is not dominated by the major companies is the section catering for the home freezer. Freezer centres are, to an extent, reducing the supremacy of the principal manufacturers by taking own label and bulk products from independant producers and distributors, such as Pellew Harvey, BOC, Northray Farm Products and Aglo European Foods.

The main companies have not ignored the freezer market, as is witnessed by the Birds Eye Home Freezer Advisory Service. But the bulk buying market has provided opportunities for other firms. These include companies owned by large firms such as Northray Farm (part of ITT) Chef Garden and McCain International.

The home freezer or bulk market is currently worth £35.9 million. This includes all packs exceeding 2lb. in weight and claims 41% of the total frozen vegetable market. Brand shares in this section of the market are as follows:

(Bulk) Frozen Vegetable Market

	Volume %
Birds Eye	21
Ross	7
Findus	1
Own label	29
Others	42

*There are considerable restrictions at present on the amount of information that manufacturers are allowed to give to research organisations. This is due to the fact that the Monopolies Commission is preparing an offical report in the Frozen fruit and vegetable market. This will be available early in 1976 but until that date most manufacturers are prevented from giving detailed market information.

Prices

Trade and retail prices of frozen vegetables for June 1975 are given below:

Birds Eye

Vegetables	Pack Size	Trade per doz.	Retail per pack
Garden Peas	2lb.	£4.50	
Garden Peas	1lb.	£2.35	
Garden Peas	½lb.	£1.37	14p.
Garden Peas	¼lb.	83p	8½p.
Petit Pois	10oz.	£1.85	19p.
Garden Peas (Mint Flavour)	½lb.	£1.37	14p.
Supreme Peas	2lb.	£4.80	
Supreme Peas	1lb.	£2.60	
Supreme Peas	½lb.	£1.47	15p.
Economy Peas	2lb.	£4.20	
Economy Peas	1lb.	£2.17	
Peas and Baby Carrots	½lb.	£1.57	16p.
Peas and Sweet Corn	½lb.	£1.57	16p.
Peas and Pearl Onions	½lb.	£1.57	16p.
Sliced Green Beans	2lb.	£4.96	
Sliced Green Beans	1lb.	£2.74	
Sliced Green Beans	½lb.	£1.66	17p.
Sliced Green Beans	¾lb.	£2.20	22½p.
Sliced Green Beans	¼lb.	£1.02	10½p.
Brussels Sprouts	2lb.	£6.24	
Brussels Sprouts	¾lb.	£2.60	26½p.
Brussels Sprouts	½lb.	£1.86	19p.
Brussels Sprouts	¼lb.	£1.12	11½p.
Supreme Sprouts	½lb.	£1.76	18p.

Birds Eye (contd.)

Vegetables	**Pack Size**	**Trade per doz.**	**Retail per pack**
Mixed Vegetables	½lb.	£1.76	18p.
Mixed Vegetables	¼lb.	£1.03	10½p.
Savour Vegetable Rice (Sweet Corn & Peppers)	½lb.	£2.27	23p.
Casserole Vegetables	½lb.	£1.47	15p.
Broad Beans	½lb.	£1.86	19p.
Broad Beans	¼lb.	£1.07	11p.
Sweet Corn	6oz.	£1.87	19p.
Corn on the Cob	¾lb.	£4.12	42p.
Cauliflower	¾lb.	£2.65	27p.
Crinkle Cut Chips	2lb.	£3.82	
Crinkle Cut Chips	¾lb	£1.76	18p.
Crinkle Cut Chips	6oz.	98p	10p.
Potato Fries	¾lb.	£1.91	19½p.
Potato Croquettes	6oz.	£1.22	12½p.
Potato Fritters	½lb.	£1.56	16p
Potato Waffles	¾lb.	£2.55	26p.
Tasti-Fries	½lb.	£1.56	16p.
Mushy Processed Peas	10oz.	£1.71	17½p.
Whole French Beans	½lb.	£2.55	26p.
Chopped Spinach	½lb.	£1.56	16p.
Broccoli	9oz.	£2.95	30p.
Small Onions & White Sauce	5oz.	£1.56	16p.

Findus

Vegetables	**Pack Size**	**Trade per doz.**	**Retail per pack**
Value Peas	2lb.	£4.35	
Value Brussels Sprouts	2lb.	£6.24	
Value Crinkle Cut Chips	2lb.	£3.82	
Garden Peas	1lb.	£2.44	
Garden Peas	½lb.	£1.48	15p.
Garden Peas	¼lb.	89p	9p½
Petit Pois	8oz.	£1.87	19p.
Old English Processed Peas	16oz.	£2.56	26p.
Old English Processed Peas	10oz.	£1.72	17½p.
Sliced Green Beans	12oz.	£2.56	26p.
Sliced Green Beans	8oz.	£1.91	19½p.
Sliced Green Beans	4oz.	£1.18	12p.
Brussels Sprouts	12oz.	£2.89	29½p.
Brussels Sprouts	8oz.	£2.11	21½p.
Brussels Sprouts	4oz.	£1.28	13p.
Crinkle Cut chips	12oz.	£2.01	20½p.
Mixed Vegetables	½lb.	£1.91	19½p.
Broad Beans	½lb.	£2.16	22p.
Broccoli Spears	8oz.	£3.05	31p.
Chopped Spinach	11oz.	£2.56	26p.
Chopped Spinach	5½oz.	£1.47	15p.
Whole Leaf Spinach	8oz.	£2.75	28p.
Green Asparagus	8oz.	£5.79	59p.
Haricots Verts	8oz.	£2.65	27p.
Sweet Corn	6oz.	£2.26	23p.
2 Corn on the Cob	14oz.	£4.82	49p.
Ratatouille Provencale	14oz.	£5.79	59p.

Price List for Ross Home Freezer Foods:

Vegetables	Units per case	Price per case	Price per unit
Crinkle Cut Chips 2lb.	12	3.24	0.27
Crinkle Cut chips 7½lb.	4	3.44	0.86
Straight Cut Chips 7½lb.	4	3.44	0.86
Straight Cut chips 10lb.	3	3.45	1.15
Fluted Potato Fries 5lb.	6	4.68	0.78
Potato Croquettes 5lb.	6	4.68	0.78
Petits Pois 2lb.	12	5.88	0.49
Peas Fine Standard 2lb.	12	3.96	0.33
Selected Peas 2lb.	12	4.08	0.34
Aylesbury Peas (Minted) 2lb	12	3.96	0.33
Kent Peas 2lb.	12	3.84	0.32
Peas Good Value 5lb.	6	4.50	0.75
Sliced Beans Standard 2lb.	12	4.20	0.35
Sliced Beans 2 lb.	12	5.04	0.42
Whole Beans: Very Fine 2lb.	12	6.96	0.58
Mixed Vegetables 2lb.	12	4.80	0.40
Macedoine 2lb.	12	3.60	0.30
Sprouts Luxury Button 2lb.	12	6.24	0.52
Sprouts Luxury Medium 2lb.	12	5.76	0.48
Whole Baby Carrots 2lb.	12	5.52	0.46
Carrot Roundels 3lb.	6	2.70	0.45
Asparagus 2½lb.	12	19.56	1.63
Cauliflower Florets 2lb.	12	6.24	0.52
Leaf Spinach 2lb.	12	4.32	0.36
Broad Beans 2lb.	12	5.28	0.44
Shredded Cabbage 5lb.	4	4.50	0.75
Broccoli Spears 2lb.	12	7.44	0.62
Corn on the Cob 2's	12	4.13	0.34

Distribution

Frozen vegetables are mainly sold in the following outlets:

- grocers
- greengrocers
- freezer centres

Grocers, whether small independant shops or large supermarkets have always been the principal outlets for frozen vegetables. However, the growth of the frozen food market has resulted in the increasing importance of specialist freezer centres as mentioned earlier. As can be seen from the following table the number of freezer centres increased from 50 in 1969 to 900 in 1974. Bejam own 100 of these freezer centres:

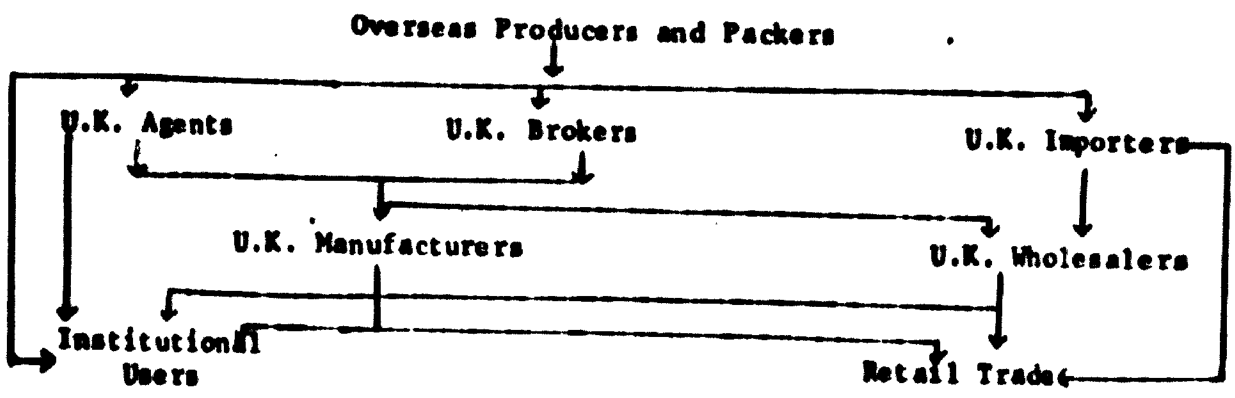
Shops selling frozen food 1964 - 1974

	Home Freezer Centres	Shops selling frozen foods
1964		125,000
1965		130,000
1966		130,000
1967		130,000
1968		127,000
1969	50	127,000
1970	150	125,000
1971	300	123,000
1972	600	122,000
1973	800	121,500
1974	900	119,000

Trade Channels

Trading in frozen foods is a specialised business, because of the highly perishable nature of the products and the special equipment and knowledge necessary for the maintenance of the cold chain. The major local manufacturers are highly integrated, and use, in the main, their own direct distribution systems. Wholesalers are, however, of vital importance to minor manufacturers, and to importers, and hold a much stronger position in the catering trade.

The importance of the wholesalers in handling imported frozen food is considerably greater than for locally produced products. The basic trade channels for imported frozen food to the United Kingdom are illustrated on the following chart:



In certain cases, the United Kingdom importer is also a wholesaler, selling imported frozen foods under his own label.

The bulk of imports into the United Kingdom are either imported under a manufacturer's brand label under a co-pack or joint venture agreement, or are marketed under the importer or wholesaler's own label, since no wholesaler is willing to use a costly organisation to try to sell an unknown and unpromoted brand.

2.7 Importers

Some leading importers and wholesalers are listed below:

	Interests
Agmon & co Ltd 193 St. Johns Street London EC1 (Importer)	fruit, vegetables
F R Benson & Partners Ltd 35 Piccadilly London W1 (Importer)	vegetables and fruit
Compass House Ltd Riby Street Grimsby (Importer, agent, wholesaler)	catering - all products
William Graham Ltd Justin Manor 341 London Road Mitcham Surrey	fruit and vegetables
Manuels Frosted Foods Ltd 53-55 Stepney Green London (Importer	fruit and vegetables
Northray Farm Products Ltd Autby House North Thoresby Grimsby (Importer)	fruit and vegetables
James Richards & Co Ltd Greedford Road Sutton Surrey (Importer)	vegetables

	Interests
Sidwell & Co Ltd Rosemount Tower Stafford Road Wallington Surrey (Importer)	catering - vegetables
Sydney Harvey & Co Ltd 26-28 Mark Lane London EC3 (Importer, agent)	vegetables and fruit
Sourthern Frozen Products Ltd Arundel Place Brighton (Agent, wholesaler)	vegetables and fruit
Swithebank Frozen Foods Ltd White Rose Cold Store Ingleby Road Bradford 8	vegetables and fruit
C R Braybrooke & Co Ltd 38-40 Featherstone Street London EC1Y 8RN	vegetables
J L P Denny Ltd 39-41 High Street Brentwood Essex	vegetables
Glasbea Ltd 269a Ewell Road Surbiton Surrey KT6 7AB	vegetables
Leonard Nieto 25 Victoria Street Liverpool L1 6BD	vegetables

2.8 Advertising and Promotion

The market has been developed largely by Birds Eye, who have spent very substantial sums in advertising and promotion over a long period, as well as providing vigorous encouragement to retailers to stock frozen foods and to improve their facilities and techniques for selling them. Birds Eye have also been a major force in developing the domestic market for freezers and this, of course, has added tremendous impetus to the market. The following table summarises the press and television advertising in the market in 1972, 1973 and 1974.

Estimated television and press advertising

	1972	1973	1974
Birds Eye	247900	459700	619300
Jus Rol Croquettes	10400	6800	12500
Findus		13100	25100
Other Brands	4200	3900	500
TOTAL FROZEN VEGETABLES	262600	473506	657400

Apart from heavy advertising, the market is characterised by a wide range of merchandising activities in the form of special offers, coupons and competitions aimed at winning the consumer (often attempting to achieve sampling of a new product through a coupon on an established product pack) and special bonuses to the trade.

2.9 Potential for Vitaminka Products

Names and addresses of leading manufacturers/processors of Frozen fruit and vegetables

Birds Eye Foods Ltd
Walton-on-Thames
Surrey
(98 28888)

Findus Ltd
St. George's House
Croydon CR9 1NR
(686 3031)

McCain International Ltd
Havers Hill
East Field
Scarborough
Yorkshire YO11 3BS
(0723 882681)

Northray Farm Products Ltd
Autby House
North Thoresby
Grimsby
Lincs.
(0472 87441)

W B Pellew-Harvey & Co Ltd
London Road
Grantham
Lincs. NG31 6JS
(0476 5511)

Ross Foods Ltd
Ross House
Grimsby
Lincs.
(0472 59111)

3. France

3.1 Size of Market

The French market for frozen vegetables has shown a slightly slower rate of growth than the overall frozen food market. Total consumption of frozen vegetables has increased by almost 40% from 32,184 tons in 1971 to 44,788 tons in 1973. Over the same period total frozen food consumption has risen by almost 50%.

Consumption of frozen vegetables

(tons)

1971	1972	1973
32,184	32,959	44,788

French consumers have generally shown considerable reluctance towards frozen food reflecting a gastronomic tradition which would always choose fresh produce before frozen. This tradition is most clearly seen the demand for frozen vegetables. There is, in addition, still a considerable shortage of suitable store and home equipment for frozen foods, with only 9% of French homes owning home freezers compared with over 50% in the USA and Scandanavian countries and 11% in the UK.

The bulk of French consumption is provided by domestic production with total production in 1972 of 37,129 tons and in 1973 of 47,450 tons. Between 20 and 25% of this production is exported and imports represent between 10 and 15% of consumption. The following is a breakdown of French production in 1973.

Frozen vegetable production in 1973

(tons)

Green Beans	12,278
Peas	10,859
Spinach	6,139
Brussel Sprouts	5,944
Cauliflower	3,919
Carrots	3,108
Others	5,203
Total	47,450

French production of frozen vegetables is dominated by frozen green beans and peas which between them account for almost half of all production. This essentially reflects internal demand as only around one quarter of the peas production and 10% of the green bean production is exported. There are only small exports of spinach and in 1973 over 5,000 tons of frozen spinach was imported.

Trends

The French market for frozen vegetables has grown by roughly 20% per annum in recent years. This has been at a time when both retailers and consumers have shown considerable reluctance towards the acceptance of these products. Reluctance at both these levels is now greatly reduced and the French market is expected to increase at at least the same rate of growth as in recent years and with increased marketing by the distributors, potentially at an even faster rate.

3.2 Consumption

As already mentioned French consumption of frozen vegetables has risen by almost 40% from 32,184 tons in 1971 to 44,788 tons in 1973. Thus total per capita consumption has risen from 0.6 kgs in 1971 to 0.8 kgs in 1973. The following table gives some indication of French consumption of certain types of frozen vegetables.

French consumption of frozen vegetables in 1973

(tons)

Beans	12,558
Spinach	10,932
Peas	9,370
Others	11,928
Total	44,788

Beans, spinach and peas are the main types of frozen vegetables consumed in France and brussels sprouts, cauliflower and carrots are the next most important.

Sales of frozen vegetables to the catering trade are the most important element in the French market accounting for roughly three quarters of all sales. This importance has declined slightly in recent years mainly as a result of a very sharp increase in sales for home consumption which rose by over 40% in 1973 as against an increase of only 30% in catering sales. The following table gives a breakdown of these sales since 1971.

Breakdown of home-catering consumption

	1971	1972	1973
Home	7200	8080	11,800
%	(22)	(24)	(26)
Catering	24984	24909	33,000
%	(78)	(76)	(74)

An analysis of consumer patterns shows that the bulk of frozen foods are bought by housewives aged between 25 and 30, living in towns of over 100,000 inhabitants. As might be expected consumption was lowest in the rural areas, although amongst manual workers, farmers were at the top of the consumption table. This apparent inconsistency reflects the fact that the consumption of frozen foods is still relatively low amongst manual workers, with the well-to-do classes, (professions, executives and middle management) accounting for the bulk of consumption.

As far as regions are concerned the Mid-West is the most important, followed by the Paris region. Consumption in the Mediterranean region and the North and East is relatively low, and the lowest consumption levels are in the West.

3.3 Imports

Total French imports of frozen vegetables in 1974 were over 18,000 tons as against only 8,700 tons in 1972. This increase in total imports has mainly resulted from a very sharp increase in imports of frozen vegetables other than beans, peas and spinach, the previously main items in France's frozen vegetable imports.

Frozen peas is the only category to have experienced a decline since 1972, imports having fallen from 851 tons to only 548 tons. French imports of frozen spinach have risen from 4184 tons to 6087 tons, and imports of frozen green beans from 1068 tons to 2297 tons. Imports of other frozen vegetables have more than trebled from 2643 tons in 1972 to 9403 tons in 1974, and they now account for over half of all French imports of frozen vegetables.

Imports now account for around 40 per cent of French vegetable consumption and for frozen vegetables other than spinach, beans and peas, roughly three quarters of demand is met by imported supplies.

In most cases, French imports are supplied mainly by Belgium and the Netherlands with, for example, 70 per cent of the "other vegetables", imported from these two countries. The only vegetable where supplies are not mainly from these sources is spinach, with West Germany and Italy providing the bulk of France's imports.

3.4 Exports

Frozen vegetable exports from France have also experienced growth since 1972 having increased from 14,700 tons to 18,500 tons. Exports are thus more or less in line with imports, although of course, imports have been rising at a much faster rate in the last two years.

The category of other vegetables is also the main item in France's exports of frozen vegetables. However, these exports showed a small decline between 1972 and 1974 from 10,649 tons to only 9,842 tons. Exports of frozen peas, beans and spinach, however, grew quite strongly with bean exports up from 620 tons to 2,658 tons, peas up from 3,115 tons to 4,977 tons and spinach up from 314 tons to 1,106 tons.

Exports thus account for almost 40 per cent of total French production, although some part of these exports may in fact be re-exports of imported frozen vegetables.

Again the percentage of "other vegetables" in the overall total would suggest that over half of French production of these types of vegetable are exported.

The main markets for French exports of beans, spinach and other vegetables are West Germany and the UK. Large quantities of frozen peas are exported to Holland and Italy.

3.5 Tariffs, quotas and regulations

See appendix.

3.6 Local Manufacturers

The French market for frozen vegetables is dominated by Findus which has roughly 50 per cent of the home market, but only between 5 and 10 per cent of the catering market. Second place is taken by Colfralim with 20 to 25 per cent of the home market and 10 to 15 per cent of the catering market. Iglo and Groho account for most of the rest of the home market, and Bonduelle, which supplies only the catering market accounts for 25 per cent of it. The following table shows these shares more clearly.

French frozen vegetable market (1974)

	% Home	Catering
Findus	45-50	5-10
Cofralim	20-25	10-15
Iglo	10-15	-
Groho	5	-
Bonduell	-	25

The rest of the catering market is supplied by around 30 other small brands.

There are around 700 wholesalers and concessionnaires who distribute frozen food products. The former tend to carry more than one brand but the latter are usually tied by contract to one company. Wholesalers are distributed on a regional basis with usually 2 or 3 in any one area. It is the wholesalers who operate the door to door service for larger packs. Wholesale margins are generally between 18 per cent and 20 per cent.

At present there are around 45,000 retail outlets equipped to carry frozen foods. These have been growing at an annual rate of 7 per cent and it is hoped, in the trade, that this number will increase even faster in the coming period as certain resistances by both consumer and retailer are overcome. It is estimated that 64 per cent of total retail sales are supplied by actual retail stores, with the remaining 36 per cent supplied by direct delivery services and freezer centres. One thing that has been noticed recently is a relative stagnation of sales of small packs with most of the recent growth being in packs of 1 kg. or more. Retail margins for frozen vegetables are estimated at around 25 per cent.

The main local manufacturers are:

(1) France Glace - Findus
16 - 19 Cite Voltair
75013 Paris

Tel 3554415

Findus is the largest supplier of frozen vegetables to the home consumption market with roughly 50 per cent of the market in 1974. The company is a joint operation between Nestle (65%) and Gervais Danone (35%). As well as the production of frozen foods the company has a significant share of the ice cream market. Total turnover in 1973 was 430 million French francs, of which 230 million was in frozen food.

The company's products sell under the Findus brand name and in 1974 it's share of the home market was estimated at 45 - 50 per cent although it has only 5 - 10 per cent of the larger catering market. Productive capacity is roughly 30,000 tons and the above market shares suggest that there is considerable spare capacity at present.

Distribution is carried out directly by the company mainly by direct sales to retailers but there is a considerable network of license holders in different regions. The company has tended to concentrate on super and hypermarkets which are the main outlets for frozen foods.

The company's products are of high quality and the product range includes brussels sprouts, corn, green beans, peas, spinach, macedonie, ratatoulle and Mexican corn. The following is a list of current prices for some of the company's products.

Current retail prices for Findus products

Product	Size (grams)	Price (Fr.F)
Brussels Sprouts	450	4.85
Corn	400	6.90
Green Beans fine	450	5.85
Peas fine	300	3.95
Peas	300	3.10
Peas	450	4.30
Peas	600	5.80
Spinach	450	4.60
Spinach cut	450	2.95
Spinach cut	600	3.90
Spinach cut	1000	5.95
Macedonie	450	4.20
Ratatoulle	400	5.45
Mexican Corn	300	5.40

(2) Cofralim
3 Rue Mogador
75009 Paris

Tel 2806300

Cofralim is the second largest supplier of frozen vegetables to both the home and catering markets. The company is mostly owned by the Rothschild group of companies (67%) with the Credit Agricole owning a further 16 per cent. The company has recently acquired Ortiz-Miko, a major frozen food and ice cream manufacturer.

The groups turnover in 1972 was 140 million francs but a loss of 3 million francs was recorded.

The original groups brand names were Vivagel and Primagel but the acquisition of Ortiz-Miko has increased these to include Frionor, Miko and Mikogel. In 1974 the whole group had 20 - 25 per cent of the home consumption market and 10 - 15 % of the catering market.

The company carries out its own distribution with a direct delivery force. The link up with Ortiz-Miko is particularly important as part of Findus domination of the home market results from its complementary distribution of ice cream. With more 50 distribution depots, Ortiz-Miko enhances the groups distribution net worth considerably.

The groups products are considered to be of medium to high quality and the product range includes peas, beans, spinach, kidney beans and mixed vegetables, The following is a list of current prices for some of the company's products.

Current retail prices for Vivagel products

Product	Size (grams)	Price (Fr.F)
Peas fine	800	2.60
Mixed Vegetables	450	3.65
Kidney Beans	450	5.95
Spinach	600	5.90
Spinach Cut	450	2.65
Spinach Cut	600	3.60
Green Beans	450	4.60

(3) **Bonduelle**
59173 Renescure

Bonduelle is a major producer, exporter and distributor of canned as well as frozen vegetables. As yet the company has not entered the French market for home consumption but is the leading brand in the catering market. The company employs over 2,500 people and it's turnover in 1973 was 330 million francs.

All of the groups products are sold under the brand name Bonduelle and in 1974 the group accounted for 20 - 25 per cent of the catering market. The group is also a significant exporter of frozen vegetables and has recently arranged a marketing link with Hartley in the UK. It's products in the UK are to be sold in 2lb and 5lb poly bags but there will be a 1lb size suitable for supermarkets.

The company's distribution is totally through regional wholesalers.

The products are of high quality and the product range includes: green beans, baby roasted potatoes, shredded celeriac, salsify, leeks, cauliflower florets and mixed vegetables. We have no price details at present.

(4) Iglo-Ola
8 Ave. Decasse
75384 Paris

Tel 256 8600

Iglo-Ola is the French subsidiary of Unilever and although this company has a dominant share of most of the European markets, it's position in the French market is quite small.

The company's brand name for frozen foods is Iglo, while it's ice-cream products are sold under the Ola brand name. In 1974 the group accounted for 10 - 15 per cent of the home consumption market but was not present in the catering market.

The company has it's own important distribution force, again benefiting from it's position in the ice-cream market. The products are of high quality and the product range includes brussels sprouts, corn, green beans, peas, spinach, mixed vegetables, Mexican corn and ratatouille.

The following list gives an indication of current prices for some of the company's products.

Current prices for Iglo products

Product	Size (grams)	Price (Fr.F.)
Brussels Sprouts	450	4.85
Corn	400	6.90
Green Beans fine	450	5.85
Peas fine	300	3.95
Peas fine	300	3.10
Peas fine	450	4.30
Peas fine	600	5.80
Spinach	450	4.60
Spinach Cut	450	2.95
Spinach Cut	600	3.90
Spinach Cut	1000	5.95
Mixed Vegetables	450	4.20
Ratatouille	400	5.45
Mexican Corn	300	5.40

In addition to the above major manufacturers of frozen vegetables we also include a list of smaller manufacturers operating in France.

- Boirron
  Vesseaux

- Capmas & Fils
  Rue de Perpignan 69
  94 Rungis

- Capmas & Fils
  Rue Viet 18
  94 Cretail

- Cie Breton du Surgel
  Ave. du Moulin Blanc
  29 Guiparos

- Ai Froid Aliment,
  Rue St. Lazare 75
  Paris 9

- Coudert & Fils
  Zone du Beauregard 19
  Brive

- Guicard Freres Station Fruitieres
  26 Montelimer

- Impact
  Av. Lt. Colonel Girard 24
  64 Lyon

- Saupiquet SA
  Bd Jules Verne 12
  44 Arantes

- Sica Bretagne Surgel
  Place Perigault 4
  56 Louent

- Union SA
  Place Jean Jaures
  41 Blois

3.7 <u>Importers</u>

Groko-France
43 Rue de Lille
59200 Tourcoing

Tel 20/748130

Groko is a subsidiary of ITT and operates in France out of four main regional centres. The company is not a major manufacturer in France and the bulk of the products that it distriubtes are imported directly from it's own factory in Holland. It's emphasis on regional distribution is important and although it has only 5 per cent of the home market it is stronger in some regions than this simple market division would suggest.

The group's products sell under the brand name Groko and are considered to be of low to medium quality. Prices, however, are generally higher than most of it's competitors. The product range includes peas, brussels sprouts, spinach and macedonia and the following table gives some idea of current prices.

Current prices for Groko products

Product	Size (grams)	Price (Fr.F)
Peas	450	4.40
Macedonie	450	4.40
Brussels Sprouts	300	3.80
Spinach Cut	450	2.70

The following list includes most of the other main importers of frozen vegetables.

- Bovion Freres
  85 Rue d'Agen
  94150 Rungis

- Bovion
  Vessaux
  07200 Aubenas

- Britagne-Sungu
  4 Place Periganet
  56100 Louient

- Compagnie du Froid Alimentaine (Mangus Princyes, Vivugu)
  3 Rue du Mogador
  75429 Paris
  Cedex 09
  (vegetables only)

- Cooperative des Agriculteurs du Britagne,
  Service Leguanes Sungales
  BP 100
  29206 Landerneau

- Fuigeford
  BP31, 44800
  St Herblain

- Maingourd
  26 Rue d'Orleans
  45380 La Chapelle Mesmin
  Cedex 9

- Universal Foods
  Centre Routier
  Frigorifique International
  BP13, 93350
  Le Bouget

- William Savrin
  81/89 Av. General Leclere
  Saint Thibault
  les Vignes
  77400 Lagny

- Gre
  30/32 Rue Alexis Labro
  33130 Begles

- France-Glace-Findus
  19 cite Voltaire
  75223 Paris
  Cedex 11

3.8 Advertising and promotion

There are virtually no specific promotional or advertising budgets allocated to frozen vegetables by the major manufacturers. This is because the profit margins on frozen vegetables, because of the high production and distribution costs, are so low that many manufacturers consider them to be permanently on offer. One factor in the low profitability is the fact that because of the considerable consumer reluctance that was seen for many years, it has been impossible for the manufacturers to increase their prices too greatly, for fear of loosing demand.

There is, however, some advertising by the companies which tends to promote the range of products, as a whole, rather than any specific products. Specific promotions have taken place for more elaborated lines, such as frozen pancakes etc.

3.9 Potential for Vitaminka Products

4. Belgium

4.1 Size of market

The Belgian market for frozen vegetables is still fairly under-developed especially when compared with its most comparable neighbour, Holland. Total consumption of frozen vegetables is likely to be 13,500 tons in 1975. Despite the fact that this level of consumption is relatively low, it does compare with only 7,000 tons in 1964, the market thus having doubled over 10 years.

Belgian production of frozen vegetables in 1971 was 17,000 tons more than three times the 1961 level of 5,000 tons. However, this still represented only 1 per cent of total vegetable production in Belgium and only 10 per cent of the level of preserved vegetable production. The industry is none the less growing rapidly, having in fact doubled between 1968 and 1971 and several new factories have been established in the early 1970's. We estimate that production in 1974 should have increased to around 26,000 tons.

We have, at present, no precise breakdown of Belgian production but we do know that the two main types of frozen vegetable produced in Belgium are spinach and sliced beans.

4.2 Consumption

As already pointed out, Belgian consumption of frozen vegetables is estimated to be 13,500 tons in 1975. This compares with only 7,000 tons in 1964 and just over 10,000 tons in 1968. Therefore, although the market is certainly growing, the rate of growth is relatively slow. Annual per capita consumption of frozen vegetables in 1975 is estimated at 1.38kgs.

The following table gives a rough breakdown of Belgian consumption by type of vegetable.

Belgian consumption of frozen vegetables

(in %)

Spinach	26
Sliced green beans	24
Peas	12
Brussels sprouts	3
Endives	3
Salsifis	0.5
Others	4.3
Spinach a la creme	5
Peas and carrots	3.5
Prepared red cabbage	5
Salsifis a la creme	5
Poirraux a la creme	2

Spinach and sliced green beans are the main vegetables consumed in Belgium, accounting for half of all frozen vegetable consumption. Peas are next in importance. It is interesting to note that over one quarter of the market is taken by more elaborated vegetables mainly vegetables "a la creme". It is this section of the market that has experienced the fastest growth in recent years.

Consumption Trends

As in Holland, the catering sector in Belgium is far less important than the home consumption market. Only one quarter of sales are to the catering sector but as in the other countries it is expected that this sector will grow rapidly in the future. Although the large manufacturers do supply the catering sector directly, a significant part of their demand is met by the smaller wholesalers.

Frozen foods have become far more greatly used in Belgium in recent years. In 1965 it is estimated that only 43 per cent of the population ate frozen foods, whereas by 1973 this had increased to 75 per cent. Of this total roughly 40 per cent were regular users with 35 per cent buying frozen foods occasionally. Roughly 40 per cent of these consumers bought frozen vegetables. An analysis of these consumers by socio-demographic status gave the following results.

Belgian consumption of frozen foods

(in %)

Age	
Less than 35	60
35 - 50	58
More than 50	53
Profession	
Liberal professions & managers	73
Employees & skilled workers	59
Unskilled workers	50
Type of town	
Large centres	72
Small & medium town	52
Rural areas	44

The highest consumption levels were found among young people aged under 35. People in the liberal professions and managers were well above skilled and unskilled workers and those living in large towns had much higher consumption levels than those in smaller town and rural areas.

4.3 Imports

Because of the multi-national nature of the main companies involved in frozen vegetables in Belgium, imports have for many years been a significant factor in market supplies. Both Iglo and Findus, accounting for around 80 per cent of the domestic market, import the majority of the frozen vegetables distributed in the Belgian market.

Belgian import levels were particularly stagnant in the early 1970's at around 6,000 tons but since 1972 there has been considerable growth. Total imports in 1972 were 6,740 tons, but by 1974 they had almost doubled to 11,550 tons.

Imports of almost all categories of frozen vegetable have shared in this growth and in 1974 the main types of imported vegetables were spinach (26%), peas (21%), beans (18%), and mixed vegetables and other vegetables (30%).

Holland is the main supplier of virtually all of these imports although France is a significant supplier of frozen peas. Dutch exports to Belgium are mainly as a consequence of the siting of the Iglo factory in that country.

4.4 Exports

The frozen vegetable industry is relatively newly developed in Belgium but this development has turned Belgium into one of the largest exporters of frozen vegetables in Western Europe. Exports in 1968 totalled only 2,800 tons and by 1970 had grown to 7,2000 tons. By 1972 exports had doubled to 15,000 tons and by 1974 had further increased to 25,000 tons, thus being almost ten times the 1968 level.

This rate of growth has been seen in all of the types of frozen vegetable exported by Belgium. In 1974 the main types of frozen vegetables exported were beans (16%), spinach (13%), peas (12%), sprouts (10%) and other vegetables (47%).

Holland is the main export market for Belgian produce but significant quantities are also sent to France and West Germany.

4.5 Tariffs, quotas and regulations

See Appendix.

4.6 Local manufacturers

Iglo is by far the leading supplier to the Belgian market, with roughly 70 per cent of the total market. Frima is next in importance with around 12 per cent, followed by Findus with 9 per cent. The rest of the market is supplied by around a dozen small manufacturers and importers. However, Frima is the only one of the market leaders which produce most of it's products in Belgium.

As the three main brands which control roughly 90 per cent of the total market, essentially supply the bulk of their outlets directly, there is only limited scope for wholesalers to operate in the Belgian market. However, a certain number of small regional ones do operate, but few specialise in the distribution of frozen foods.

Of the 27,500 retail outlets in Belgium, roughly 12,500 are equipped to carry frozen foods. However, despite the fact that this total is only 45 per cent of all outlets it must be noted that they account for 85 per cent of all food sales being largely in supermarkets and larger food stores. It is in fact in super markets that the bulk of frozen foods are sold. Roughly 60 per cent of sales are via these outlets. A recent development is the growth in the number of hyper-markets and the increase in sales via these outlets. Recent growth has also been seen in sales by small retailers and this reflects the increasing number of small independents who are now equipped to sell frozen food.

The following company is therefore the only significant Belgian producer of frozen vegetables:

Frima-Universal Foods SA
8 Quai des Usines
1020 Brussels

Tel 15-1830

Although only the second largest supplier to the Belgian market, Frima is the main Belgian manufacturer of frozen vegetables, the other two main companies importing most of their requirements from factories outside of Belgium. Originally an independent Belgian producer of frozen foods, the company is now part of the Societe Generale group. Frima's production of frozen vegetables takes place at it's factory at Errentanz.

Frima is the company's brand name and it is estimated that it ahs roughly 12 per cent of the Belgian market for frozen vegetables. Some quantity of frozen vegetables are produced under contract for sale under other brand names (house-brands).

For the distribution of it's products Frima has a central depot in Brussels with it's own fleet of refrigerated vehicles.

The company's products are considered to be medium quality and the product range includes the main types of frozen vegetable. Of particular importance is the company's range of more elaborated vegetables including spinach, endives, poireaux and salsifis, all "a la creme" and celery in a supreme sauce. The following list shows current prices for some of these products.

Current prices of Prima products

Product	Package	Size (grams)	Price (BF)
Spinach	Cardboard Box	300	15
Brussels sprouts	"	300	25
Green beans	"	600	34
Peas "extra fine"	"	300	29
Salsifis	"	300	33
Endives	"	600	35
Spinach a la creme	"	600	32.50
Haricots a la Provencale	"	600	39.75

Other local manufacturers include the following:

Artic, Lot (Brabant)
Pingouin, Westrozebeke (Flanders)
Cebelal, Chemin du Buisson des Loups, Nivelles (Brabant)
Irvai, 5 Ave des Missionnaires, Brussels

In total these companies account for less than 10 per cent of the market.

4.7 Importers

The Belgian market is thus largely supplied with frozen vegetables imported by two of the three market leaders. This section looks at these companies in further detail:

Iglo-Ola SA
49 Rue Belliard
Brussels

Iglo was founded in Belgium in 1959 and merged with Ola in 1964. The company is now part of the Unilever group. Iglo is essentially a marketing company importing the products of its sister companies from other countries for distribution in Belgium. A full range of frozen foods are sold under the Iglo brand name but the most important of these are frozen vegetables. Roughly two thirds of total sales are imported from Iglo factories mainly in Holland, with the balance produced under contract by other small producers. However, the bulk of the frozen vegetables sold by the company are from their own factories, the products bought in from other producers being mostly desserts and meat products.

Iglo's sales are mainly to the home consumption market, the catering market having been ignored. This is mainly because the profit margins for supplying the bulk market are smaller and the company has tried to aim at the market for more "sophisticated products". In fact Iglo has 11 elaborated vegetable dishes in it's range, as well as the rest of the more ordinary vegetables. Iglo's sales are largely in small grocery outlets (65%), with supermarkets of far less importance (35%). However, with the rapid fall in the number of small independent outlets, Iglo is finding it hard to retain it's dominance in the new supermarkets. Retail prices are fixed by the company, allowing retailers a 20% profit margin.

Distribution is carried out directly by the company with a central depot in Brussels, and other smaller ones throughout the country.

The company's products are considered to be of very quality and are more expensive than their competitors. A comprehensive list follows:

Current price list for Iglo products

Product	Size (grams)	Price (B.Fr.)
Vegetables		
Spinach purée	225	15
Spinach purée	450	22
Spinach purée	750	30
Petits pois "extra fins"	225	30
Petits pois "extra fins"	450	50
Petits pois "tres fins"	225	23
Petits pois "tres fins"	450	42
Petits pois "fins"	450	38
Cut Princess beans	300	24
Cut Princess beans	450	33
Mashed Princess beans	300	24
Mashed Princess beans	450	33
Chicory	600	35
Brussel sprouts	300	31
Peas and carrots	450	39
Spinach	450	39
Asparagus	450	89
Chopped parsley	25	8
Tomato purée	200	10
Large		
Brussel sprouts	750	55
Peas and carrots	750	49
Mashed beans	750	45
Potato chips	750	35
Cauliflowers	750	55
Carrots "extra-fins"	750	49

Current price list for Iglo products

Product	Size (grams)	Price (B.Fr.)
Prepared Vegetables		
Creamed spinach	450	33
Creamed spinach	750	49
Creamed leek	450	39
Chicory in Bechamel sauce	450	33
Red cabbage in apples	450	36
Provençale beans	450	45
Vegetables for soups		
Chervil	100	12
Mixed vegetables	100	10
"Julienne" vegetables	500	39

Findus
221 Rue de Birmingham
1070 Brussels

Tel 23 - 0040

Findus was orginally formed in Belgium in 1963 and since 1965 the company operates one factory in Belgium at Hamoir/Oruthe in the Ardennes. However, this produces only a small part of the group's frozen food turnover, most of which is imported from the group's factories in Norway, Denmark, France, Italy, Switzerland and Holland. Of these countries it is France and Italy which supply most of the frozen vegetables.

All of the group's products are sold under the Findus brand name and Findus accounts for roughly 9 per cent of the market. The company has so far totally ignored the catering market and all of it's sales are for home consumption. The strategy has been to concentrate on the main supermarkets with far less emphasis on the smaller retailers. However, wherever the company has found small retailers aiming to start selling frozen foods it has cultivated these outlets. Although Findus has only 9 per cent of the total market it is estimated that it accounts for 20 per cent of all supermarket sales of frozen food.

As with Iglo, retail prices are laid down by the company allowing for a profit margin of between 20 per cent and 30 per cent for the retailers. One large chain has been allowed to reduce these prices by 10 per cent.

The company has its own distribution system for areas fairly near to Brussels but in the more outlying areas small wholesalers are used.

The product range includes most of the main types of frozen vegetable which are considered to be of medium/good quality. The following list shows current prices for some of the company's products.

Current prices for Findus products

Product	Package	Size (grams)	Price (B.Fr)
Haricots	plastic	300	38
Carrots	cardboard box	500	32
Cauliflower	plastic	500	39
Red cabbage	"	450	31
Sicilian salad	"	250	36
Danish salad	"	250	36
American salad	"	300	44
Corn	cardboard box	400	42

The following list includes most of the other main importers of frozen vegetables:

Belso, s.a.
Avenue des Arts 1/2
1040 Brussels

Belco, s.c.
Palce Stephanie 14
1050 Brussels

Ets. Fr. Colruyt, s.a.
Steenweg op Bergen 89/97
1500 Halle

Ets. Fabri & Co s.p.r.l.
Boulevard Anspach 107
1000 Brussels

Aalterse Diepvriescentrale, p.v.b.a.
Nestor de Tierestraat 42
9300 Aalst.

Delby's, s.a.
Vredebaan 74
2510 Mortsel

Ets. J. Vervaecke, "Divo", n.v.
Noordkustlaan 10
1720 Groot-Bijgaarden

Cocri-Ringoir, s.a.
Brusselsesteenweg 657
9001 Gentbrugge

Courtrai-Salaisons
Rue de Warcoing 4
7741 St. Leger

Covee Diepvriescentrale
Machelsesteenweg 30
3090 Kampenhout-Sas

Ets. De Backer & Cie
Hundelsesteenweg 535
9220 Merelbeke

Imperial, p.v.b.a.
Korte Koepoortstraat 10
2000 Antwerpen

n.v. conserven Marie Thumas
Kolonel Begaultlaan 25
3010 Wilsele-Leuven

Marubeni Benelux, n.v.
Rue do la Loi 15
1000 Brussels

Firma De Schutter, p.v.b.a.
Duboisstraat 39
2000 Antwerpen

4.9 Potential for Vitaminka products

5. Holland

5.1 Size of Market

Frozen foods only became widely established on the Dutch market around 1960 but since then sales have grown steadily and rapidly. Frozen vegetables now account for roughly half of all frozen foods consumed in Holland. Frozen vegetable production has increased threefold since 1960 from only 14,000 tons to over 42,000 tons. Over the same period the value of frozen vegetable production has risen from Fl.16 million to almost Fl.60 million. Of these totals, deep frozen products account for roughly 12%.

Spinach is by far the most important kind of frozen vegetable with a share of over 40% in production; this is largely due to the fact that spinach is a high quality food which freezes well. French beans are second in importance, with a share of 16% in 1973. Frozen peas have not yet become so widely accepted by Dutch consumers, partly because peas are less popular in Holland than in certain other countries and partly because frozen peas are roughly twice as expensive as tinned peas. The following table gives a more detailed breakdown of Dutch frozen vegetable production.

Production of Frozen Vegetables, 1960 and 1971-1973

	Volume (tons)				Per Cent			
	1960	1971	1972	1974	1960	1971	1972	1973
Spinach	4,760	14,430	17,800	17,300	32	38	45	41
Peas	2,010	2,010	1,170	1,970	14	5	3	5
French beans	1,970	4,040	4,940	6,660	13	11	13	16
Gardens beans	180	860	940	770	1	2	2	2
Sprouts	3,710	1,710	1,920	1,270	25	4	5	3
Carrots	330	2,470	2,610	3,110	2	6	7	7
Endives	440	1,460	1,260	2,100	3	4	3	5
Green cabbage	500	2,340	1,290	2,930	3	6	3	7
Leeks	100	3,110	1,910	1,930	1	8	5	4
Others	900	5,940	5,680	4,120	6	16	14	10
Total	14,900	38,370	39,520	42,160	100	100	100	100

Source: Ministry of Agriculture

Trends

However, despite this steady growth in production since 1960, there have been signs recently that the Dutch market may have reached a peak, at least in the short-term. There has been virtually no growth in consumption since 1973 and as a result of the general European recession people have tended to buy fresh vegetables where these are cheaper than their frozen equivalents. In the longer term the Dutch market is expected to expand again but there may be more short-term potential in sales to the catering trade and specialisation in the more elaborated types of frozen vegetables. In terms of sales by type of outlet, it is expected that sales by hypermarkets and supermarkets will increase further to the detriment of the share taken by independent food outlets and greengrocers.

5.2 Consumption

Dutch consumption of frozen vegetables experienced a very small fall in 1972 but then rose quite significantly in 1973.

Dutch consumption of frozen vegetables

1971	1972	1973
33,230	33,080	37,190

Total per capita consumption over the same period rose from 2.51 kg to 2.77 kg during a period when per capita consumption of both fresh and bottled and canned vegetables fell. The following table shows Dutch per capita consumption of certain types of frozen vegetables.

Annual per capita consumption of frozen vegetables (kg)

	1971	1972	1973
Spinach	1.06	1.20	1.28
Peas	0.22	0.13	0.25
French beans	0.26	0.31	0.47
Others	0.96	0.84	0.79
TOTAL	2.51	2.48	2.77
All fresh	48.88	49.24	46.13
All bottled & canned	10.54	9.92	9.76

Spinach is the main constituent of Dutch frozen vegetable demand followed by french beans and peas. There has also been considerable recent growth in the more elaborated products such as "spinach a la creme", "endives a la créme" and red cabbage with apples. These more elaborated products are certainly showing faster growth in demand than the plain frozen vegetables.

The Dutch frozen vegetable market is much less reliant on catering outlets than, for example, the French market. It is estimated that between 25% and 35% of total sales are to catering outlets, mainly airlines, shipping lines, hospitals, homes for the elderly and canteens. Given the recent stagnation in the home consumption market it is expected that any immediate increase in demand will be from the catering market and it seems possible that this sector will develop to around half of the total market for frozen vegetables.

5.3 Imports

Holland has for many years been the second largest importer of frozen fruit in West Europe. Imports grew regularly throughout the 1960's and reached a peak of 11,300 tons in 1972. However, since that year there has been a very sharp fall in imports which have almost halved to just over 6,000 tons. The bulk of these imports are of frozen fruit without added sugar, mostly strawberries and raspberries, blackcurrants and redcurrants,the balance being other frozen fruit. This fall in total imports is reflected in each of these categories although the largest fall has been in import demand for raspberries, blackcurrants and redcurrants.

West Germany is still just about the largest supplier to the Dutch market although imports from Yugoslavia, Poland and Czechoslovakia have become of increasing importance and now represent around half of all import supplies.

Frozen vegetables have become much more accepted in Holland than in many other European countries and it is reckoned that these products have now passed out of the luxury-food category with a balanced consumption pattern through all social groups. However, the main consumption of frozen vegetables does appear to be in the four main cities - Amsterdam, The Hague, Rotterdam and Utrecht.

5.4 Exports

Total Dutch exports of frozen vegetables experienced very little overall growth between 1963 and 1971 but have grown strongly since that year. Total exports increased from 13,820 tons in 1971 to over 19,500 tons in 1973. The main growth was in the export of French beans which have more than trebled since 1971, and spinach which have increased by around one quarter. The main export crops in 1973 were spinach (4,600 tons), French beans (4,110 tons), sprouts (1,980 tons) and peas (1,540 tons). As with the import statistics the following tables understate the level of Dutch exports as Belgium, which takes over a third of all exports, is excluded from the official statistics. West Germany and the UK are the other two main markets for Dutch exports.

5.5 Tariffs, quotas and regulations

See Appendix.

5.6 Local manufacturers

There are only two major manufacturers of frozen vegetables in Holland, Iglo which dominates the home consumption market and Groko which is the major home in the catering market but has a much smaller share of the home market. Iglo's share of the home market is estimated at between 50% and 60% with Groko taking a further 25% of this market. Small private labels account for the remaining 20%. In the catering market Groko dominates with roughly 75%.

Dutch frozen vegetable market (in %)

	Home	Catering
Iglo	50-60	-
Groko	25	75
Others	20	25

Because of the domination of the Dutch frozen food market by only two main suppliers, wholesale distribution is particularly concentrated. Iglo carries out its own direct distribution whilst the Groko products are mainly distributed by specialised frozen food wholesalers, most of which are grouped in the Diepfries-Unie at Utrecht. This organisation is a cooperative society of which the most important shareholders are the agricultural cooperative Cebeco-Handelsraad.

In addition to the distribution of Groko products, Diepfries-Unie has its own brand of frozen food, Bon Serva but at present their range does not include frozen fruit or vegetables. Wholesale margins are generally between 10% and 20%.

There are roughly 40,000 outlets selling frozen foods in Holland of which over 14,000 are grocery stores and 8,500 are greengrocers. Other outlets likely to be carrying frozen vegetables are dairies (8,500), fishmongers (2,000) and butchers (7,500). According to trade sources the most important outlets in volume terms are the supermarkets which are estimated to account for roughly 76% of all sales. Greengrocers with 13% are next in importance with the balance made up by butchers, dairies and department stores. Normal retail margins are between 25% and 35%.

A recent development in the distribution of frozen foods has been the establishment of frozen food supermarkets, with Bejam the British leader in this field, opening three of these outlets. The Company expects to open 15 to 20 more of these outlets in the next few years.

The main local manufacturers are:

(1) Iglo
Nijenoord
Utrecht
Tel: 030-635522

Iglo is the largest Dutch manufacturer of frozen vegetables. The Company is 75% owned by Unilever and 25% by Nestle. The activities of the Company include not only the manufacture of frozen foods but also the distribution of imported frozen fruit and vegetables, mainly from Hungary and its own factory in West Germany.

At present there are roughly 1,400 employees and although the head office is in Utrecht the main factory is in Hoogeveen. This factory operates under the name Lucas Aardenburg and employs 1,000 people. Productive capacity was recently expanded, but due to the fall-off in demand on the German, French and Belgium markets as well as the Dutch one, the Company was forced to put 800 employees on short-time working in the early months of this year. The factory in West Germany supplying the Dutch market is situated in Rehen, near Munster.

Iglo is the main brand name for the frozen vegetable products although some products are sold under the Esprino brand and Ola (essentially ice-cream). At present Iglo has between 50% and 60% of the home consumption market but is only involved on a small scale in the catering market.

Distribution is carried out directly by the Company which operates a large fleet of delivery vehicles. The Company's products are considered to be of high quality, although possibly a little expensive. Iglo has a good image for new products introducing a number of more elaborated frozen vegetable products onto the Dutch market. The product range is extensive and covers virtually all of the main varieties of frozen vegetable.

The following is a list of current prices for some of these products:

Current retail prices for Iglo products

Product	Size (grams)	Price (D. Fl)
Peas	225	1.35
Peas	450	2.50
Red cabbage with apple	450	1.70
French beans	450	1.95
Cut spinach	450	1.05
Cut spinach	750	1.69
Endives a la creme	450	1.80
Leek a la creme	450	1.80
Garden beans	450	2.80
Spinach a la creme	750	2.75

(2) Groko
Industrieweg 9-11
Zundert

(Tel: 01696/3151)

The Company originally operated as a manufacturer of processed and canned fruit and vegetables but it now also produces frozen fruit and vegetables at its factories in Zundert and Poreda. Groko was first established in 1947 but since 1969 it has been a subsidiary of I.T.T. Groko's main strength is in the catering market of which it is estimated to hold 75%. In addition it supplies roughly 25% of the home consumption market.

The bulk of the Company's products sell under the Groko brand name but several of the leading multiples, most notably Albert Heign and De Gruytes, sell its products under their own labels.

Groko does not carry out its own distribution, this being totally in the hands of the Diepfries-Unie organisation. This organisation which is in fact a consortium of ten major wholesalers does have its own brand for frozen food products, but because of the link with Groko does not carry frozen fruit and vegetables in its product range. However, the distribution contract with Diepfries-Unie expires at the end of 1975 and the relationship between them may then change.

The Company's products are considered to be of medium quality and prices are below those of the Iglo products. The following list contains examples of current prices for Groko's own label products and those sold under the Albert Heijn label.

Current prices for Groho products

Product	Size (grams)	Price (D.Fl.)
Groko		
Cut green beans	450	1.75
French beans	450	1.65
Albert Heijn		
Red cabbage	750	2.15
Endives	450	0.96
Endives	750	1.69
Endives a la creme	450	1.35
Endives a la creme	750	1.98
Spinach	450	0.85
Spinach	750	1.09
Veg. for soup	150	0.53
Peas fine	300	1.05
French beans	500	1.55
Brussel sprouts	300	1.75
Garden beans	300	1.75
Leek a la creme	450	1.40

5.7 Importers

The following list includes the major Dutch importers of frozen vegetables.

- Terfloth and Kennedy bv, Groothandelsgebouw a5, Rotterdam.
- Tuscho bv, Maastrichter brugstraat 19 - 21, Maastricht.
- M.V.D. Voorn and Co bv, Sarphatistraat 90, Amsterdam.
- P. de Gruyter and ZN bv, Orthenstraat 14, 's Hertogenbosch.
- Edah bv, Kanaalweg n.o. 82, Helmond.
- Makro C V, Rijnkade 1, Utrecht.
- Digrods U A, Coolhaven 148, Rotterdam.
- Boas N V, Laakweg 142, The Hague.
- Albert Heijn N V, Ankersmidplein 2, Zaandam.
- Dirk van den Broek N V, Tussenmeer 1b, Amsterdam.
- Jac Hermans N V, Gemoenschapspolderweg 26-32, Weesp (nr Amsterdam).

5.8 Advertising and promotion

Promotional activity for frozen vegetables is fairly limited. The most common types of promotions are "price-off" offers with coupons used occasionally.

Iglo is the only Company with a significant advertising budget for frozen foods and this totalled Fl.1.5 million in 1973. However, this was for the whole range of frozen food products and was spent mostly on T.V. and partly newspaper advertising.

To encourage retailers to sell frozen food products, Iglo sells deep-freeze cabinets to retailers, providing the finance for this purchase. Retailers buying a cabinet from Iglo receive a deep-freezer bonus of 5 - 6% per annum, related to their turnover.

3.9 Potential for Vitaminka products

6. West Germany

6.1 Size of market

The West German frozen food market is the second largest in Europe, after the U.K., with total sales in 1973 of DM 1234 million. The production of frozen food increased by roughly 10% per annum between 1970 and 1973 but the production of frozen fruit and vegetables experienced a rise of only 2% per annum over the same period. In fact as the following table shows, production of these products fall sharply in 1971 and 1972 before recovering in 1973.

West German production of frozen fruit* & vegetables

1970	1971 (tons)	1972	1973
91.2	69.7	68.5	96.7

(*The production of frozen fruit is limited).

This production was made up of 60% frozen spinach, 8% frozen peas, 8% frozen carrots, 3% frozen beans, 2.5% frozen sprouts and 18.5% other vegetables.

However, the above trend in production does not reflect the pattern of West German consumption over the period. With the exception of a small setback in 1971, West German consumption of frozen vegetables has increased steadily.

6.2 Consumption

West German consumption of frozen vegetables (1969-73)

('000 tons)

	1969	1970	1971	1972	1973	Annual Average charge 1969-73
Green vegetables	44.6	46.1	39.7	39.9	38.8	-3
Other vegetables	31.0	37.0	42.2	46.3	57.0	+16
Total vegetables	75.6	83.1	81.9	86.2	95.8	+6

Total consumption has therefore increased by 6% per annum from 75,600 tons in 1969 to 95,800 tons in 1973. The most interesting thing to note in the above table is the extent of substitution that has taken place between the consumption of green vegetables, which are essentially easily available in fresh form in the German market, and other less available vegetables. Consumption of frozen gree vegetables has fallen by 3% per annum since 1969 whilst the consumption of other frozen vegetables has increased by 16% per annum. This makes the consumption of other frozen vegetables one of the fastest growing products in the West German frozen food sector. Therefore, as in several of the other markets under study, most of the expected growth in the West German market is likely to be in the more elaborated products such as vegetables "a la creme".

Annual per capita consumption has increased from 1.22 kg to 1.54 kg over the same period, making itroughly 50% higher than in France but still under half the Dutch level. However, West German per capita consumption of frozen vegetables other than gree vegetables was 0.92 kg in 1973 a level well above even the Dutch. At present, we have no detailed breakdown of West German consumption by type of vegetable.

Consumption trends

Overall the West German market for frozen foods is fairly evenly split between home consumption and catering. In 1973 home consumption accounted for 53% of all sales. However, for frozen vegetables, although the home consumption percentage is falling, it is still estimated to be around two thirds of total consumption. This compares with over 80% in 1968. This change in the relationship between home and catering usage of frozen vegetables is more a function of the relative growth rates of both sectors. Between 1969 and 1973, home consumption rose by only 5.3%, whilst catering consumption rose at 17.8% for all frozen foods.

West German consumption of frozen vegetables in the household and catering sectors

(tons)

	1972	1973
Household		
Green vegetables	33,732	32,532
Other vegetables	27,593	32,242
Total	61,325	64,774
Catering		
Spinach	6,175	6,247
Other vegetables	18,750	24,776
Total	24,923	31,023

Consumption of frozen vegetables in 1972 (cont)

	%
Income classes	
Under DM 800	9.4
DM 800-1,499	13.0
DM 1,500-2,499	16.4
DM 2,500 and over	15.4
Size of town	
Under 2,000 inhabitants	10.0
2,000-100,000 inhabitants	14.5
Over 100,000 inhabitants	15.3
People over 16 years	13.9

(Source: Awa)

It is evident from the above study that people aged between 30 and 59 have the highest level of consumption of frozen vegetables. A negative attitude by the elderly towards frozen vegetables is evident although the youngest age group also has a less than average level of consumption. Consumption rates by occupational groups are highest among the liberal professions, managers and businessmen, yet it is the middle income groups which are the most frequent consumers. The popularity of frozen vegetables is highest in large urban centres than in small towns and rural areas.

6.3 Imports

After a period of almost no growth in the mid-1960's West German imports of frozen vegetables have more than quadrupled since 1968. Total imports in 1974 amounted to over 40,000 tons and this compares with only 31,000 tons in 1972. Imports of frozen peas account for over one quarter of total imports and even since 1972 imports of this product have risen by 50% to over 12,000 tons in 1974. Frozen bean imports are next in importance at 3,400 tons in 1974, followed by frozen spinach of just over 1,000 tons. Although imports of the former are up by roughly a third, frozen spinach imports have fallen by two thirds since 1972. Imports of other frozen vegetables (including cauliflower, sprouts, carrots, leeks, peppers, sweetcorn, mushrooms and asparagus) have also grown substantially from 17,000 tons to almost 27,000 tons.

France, Belgium, the Netherlands and Italy are the main suppliers to the German market but several East European countries have grown in importance in recent years, most notably Hungary and Poland.

6.4 Exports

West Germany is not a particularly significant exporter of frozen vegetables. Total exports have increased from 6,300 tons in 1972 to just over 8,100 tons in 1974.

Over 60% of total exports are made up of frozen peas and spinach and although exports of the former have grown strongly since 1972 from only 424 tons, exports of the latter have declined by one third. Frozen beans is the only other major single export product and exports of these have settled at around 300 tons recently. Other frozen vegetables accounted for 2,700 tons of the 1974 total as against 1,800 tons in 1972.

Most of the frozen pea exports are to Italy, around half of the frozen spinach is sold to France and the Netherlands receives around half of the other frozen vegetables.

6.5 Tariffs

See Appendix

6.6 German manufacturers

The frozen vegetable market in West Germany is dominated by three companies. Iglo is the main manufacturer of frozen vegetables with roughly 55% of the total market followed by Dr Oetker and Tiko each with roughly 10%. These three companies thus account for around 75% of the market with the remaining 25% provided by about -00 minor companies.

Frozen vegetables are distributed through all the general food retail channels. A recent survey found that there were special refrigerated counters for frozen food in 100% of supermarkets, 98% of self-service stores and 75% of traditional counter stores. It is estimated that 87,000 outlets, roughly 93% of all outlets, are equipped for the sale of frozen foods. Of these outlets, 60% are supplied by wholesalers, including the purchasing groups of voluntary chains, while the remaining 40% are supplied directly by the manufacturers sales organisations.

The catering market is mainly supplied by the frozen food manufacturers, although a third of sales are channelled through the wholesale trade to the smaller institutions and caterers.

Retail margins are between 21% and 28% and wholesale margins roughly 8% - 10%. There are certain discouns offered to institutional buyers usually between 15% and 20%.

The following companies are the main manufacturers of frozen vegetables in West Germany:

Langnese Iglo
2000 Hamburg-Wandsbeh 36
?amun Torwall 15

Tel: 349024 43

Iglo dominates the West German frozen food market with roughly 55% of the total market. The Company is 75% owned by Unilever and 25% by Nestle and manufactures and distributes a full range of frozen foods and ice-creams. In 1973 group turnover was DM 750 million, roughly DM 100 million above the 1972 level. Production takes place at three factories at Wunstorf, Burgdorf and Gross Rehen and there are 7,500 employees in total.

The main brand name for frozen vegetables is Iglo but some frozen foods are still sold under the Findus label (the original Nestle brand). Langnese is the brand name for ice-cream. The company is strongest in the home consumption market with over 60% of demand but has only 20% of the smaller but faster growing catering sector.

Distribution is carried out by the Company's own sales force and 56 regional depots are operated throughout Germany. In addition there are around 1,000 refrigerated vehicles operated by the Company. Independent wholesalers are also used.

The products are of good quality and the product range includes green beans, spinach, cabbage, brussel sprouts, peas and carrots and mixed vegetables.

Dr Oetker Tiefkuhlhost
48 Bielefeld
Postfach 3130

Originally specialising in the production of puddings, Oether has developed into a significant force in the West German frozen food market. A subsidiary, Distler of Putzbruun situated close to Munich, is the main source of Oetker's frozen food production. Some frozen vegetable production takes place at the Company's factory at Bielefeld but during 1975 a new factory for the production of frozen vegetables was due to be opened at Lumeburg. Turnover in 1973 was estimated at DM 200 million of which roughly half is frozen foods and 10% frozen vegetables. Until the factory at Lumeburg is completed Oetker purchases most of its frozen vegetables from Tiho (the other main producer) and supplies them in turn with frozen fish. Therefore, with this year, Oether has been mainly a distributor of frozen vegetables.

The Company has roughly 10% of the West German market for frozen vegetables and its products sell under the Oether brand name which is long established in the market.

Oetker has its own distribution system with 26 distribution centres throughout the country and 300 vehicles of between two and three tons.

Its product range includes spinach, green beans, peas and carrots, brussel sprouts, cabbage and various elaborated vegetable mixtures. The products are considered to be of high quality.

Tiko-Lebensmittel-Vertnebsgesellschaft
6908 Wiesloch/Baden
Postfach 1160

This Company is owned by G.E.G., the organisation of German consumer co-operatives and produces frozen food mainly on behalf of this organisation. All production is concentrated at the Company's factory at Wiesloch. There is an arrangement with Oetker whereby Tiko supplies them with most of their frozen vegetables and is supplied in return mainly with frozen fish.

The Company's sales, other than those to Tiko, are mainly via the Coop retail outlets of the co-operative organisation G.E.G. (Co-op) but in addition a number of other small co-operative organisations are also supplied by Tiko. These sales are estimated to give Tiko roughly 10% of the total market.

Tiko has its own distribution network with 20 regional depots and its own fleet of delivery vehicles.

The Company's products are of medium quality and the product range is virtually identical to Oetker, covering most of the main types of frozen vegetable.

6.7 Importers

Both Iglo and Oetker import a certain quantity of frozen vegetables directly but there are in addition a number of smaller importers involved in the frozen vegetable market. Most of these are situated in Hamburg as can be seen from the following list.

Gustav Wulff, 2000 Hamburg 1 - Ballindam 26) account for
Von hind & Co., 2000 Hamburg 36 - Hohe Bleichen 22) roughly 45% of all imports

Hans Dinter, 2000 Hamburg 1 - Hammerbrookstrasse 90
Willy Bruns, 2000 Hamburg 1 - Oberhafenstrasse 1
Friedhelm Busch, 2000 Hamburg 54 - Botelkamp 29
Wachsmuth Krogman, 2000 Hamburg 22 - Mundsburger Dammb
Bosch & Co., 2000 Hamburg 1 - Oberhafenstrasse 1
Walter, 89 Augsburg - Phil. Welserstrasse 13
Hamburger Import-Agent, 2000 Hamburg 1 - Bankstrasse 20/26 Fruchthaus

6.8 Advertising and promotion

Total advertising expenditure on frozen foods in 1973 was DM64.6 million. This was mainly spent on press advertising which took 75% of the total. Outdoor posters are also used extensively.

6.9 Potential for Vitaminka products

7. Austria

7.1 Size of market

We have, at present, only limited information on the Austrian market for frozen vegetables.

The total market for frozen vegetables increased from 12,565 tons in 1972 to 14,771 tons in 1973. This was partly because of an increase of 1,000 tons in annual production, but also following a fall in exports to under half their 1972 level.

Austrian production increased from 14,100 tons in 1972 to 15,092 tons in 1973. At present we have no breakdown of this production by type of vegetable.

7.2 Consumption

Austrian consumption of frozen vegetables has increased by roughly 20 per cent since 1972, from 12,565 tons to 14,918 tons. On a per capita basis Austrian consumption is fairly high at almost 2.0 kgs per capita.

We do not have, at present, any breakdown of consumption nor any information on consumption patterns.

7.3 Imports

Imports of frozen vegetables have virtually doubled since 1972 from only 1,174 tons to 1,924 tons. Imports thus represent just over 10 per cent of total consumption. The official statistics do not breakdown imports by type of vegetable but we do know that the main suppliers to the Austrian market are West Germany and Italy. In recent years, there have been increased imports from East Europe, most notably Hungary.

7.4 Exports

Frozen vegetable exports have declined considerably since 1972 and the 1974 level of 1,106 tons was well under half that of 1972. Again there is no breakdown by type of vegetable. The main export markets are still West Germany and Sweden who between them account for over 90 per cent of all exports.

7.5 **Tariffs**

See Appendix.

7.6 **Local manufacturers**

Eskimo-Iglo, 2301 Grossenzersdorf, the Unilever subsidiary is the main Austrian manufacturer of frozen vegetables. This company is estimated to have around 95 per cent of the total market. Products are sold under the Eskimo and Iglo brand names and have an excellent reputation on the domestic market.

7.7 **Importers**

There are a number of companies involved in the importation of frozen fruit and vegetables into Austria. The most important of these are:

Eskimo-Iglo (see above), imports from sister firm of Unilever

Mollmuller Ferdinand & Sohne, 1230 Wien Laxenburgerstrasse 365 imports from West Germany

Gaston Kuhlkosterservice, Peter Hammerschmidt, 1040 Wien Theresianergasse 5

7.9 Potential for Vitaminka products

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8. Sweden

8.1 Size of market

Although having one of the smallest populations of any of the countries included in this study, Sweden has certainly the highest per capita consumption of frozen vegetables and even in absolute terms, a total consumption level above that of most of the countries of Europe. The market is extremely well organised and developed and has benefited in particular from the large number of working wives who seek convenience in food preparation. We estimate total apparent consumption in 1974 of 35,000 tons, the bulk of which is supplied by domestic production.

Swedish production of frozen vegetables has been rather variable in recent years, as the following table shows:

Swedish production of frozen vegetables (1970-1973)

(tons)

	1970	1971	1972	1973
Carrots	1,317	1,597	1,699	3,166
Peas	18,221	11,488	12,609	20,371
Carrots & Peas	1,829	1,313	1,965	2,113
Beans	235	248	158	296
Spinach	7,380	5,157	4,574	5,481
Broccoli	545	472	436	512
Others	5,717	5,029	8,510	9,066
Total	35,244	25,304	29,991	41,005

Production fell by roughly one third in 1971 and it was not until 1973 that the 1970 level was again passed. Over the whole period production has increased by roughly 15 per cent from 35,000 tons to

41,000 tons. One of the main causes for this variability in Swedish production is the very significant movements in the production of frozen peas. In most years, this product has accounted for around half of total production. Overall peas production has risen slightly since 1970. Other frozen vegetables to have grown in importance are carrots and beans, while broccoli and spinach production has fallen. There has been particularly strong growth in the production of other vegetables.

8.2. Consumption

Swedish apparent consumption of frozen vegetables has risen from 27,000 tons in 1970 to just over 35,000 tons in 1973. In per capita terms this represents an increase from 3.31kgs in 1970 to 4.29kgs in 1974. A breakdown of apparent consumption in 1973 is given in the following table.

Swedish apparent consumption of frozen vegetables in 1973

	tons	%
Peas	9,839	28.0
Spinach	5,366	15.0
Carrots	2,617	7.5
Beans	2,583	7.4
Peas & Carrots	2,184	6.2
Broccoli	729	2.1
Others	11,736	33.8
Total	35,054	100.0

Peas accounted for 28 per cent of total consumption in 1973 and were the most important type of frozen vegetable. Spinach, carrots and beans were the other main constituents of demand. One third of total demand is made up other vegetables, including cauliflower, sprouts, leeks, peppers, sweetcorn, mushrooms, asparagus and other more sophisticated vegetables.

The bulk of Swedish demand is for home consumption purposes and it is estimated that this accounts for roughly 60 per cent of the total. Catering demand accounts for the remaining 40 per cent.

Because of the widespread acceptance of frozen vegetables in Sweden there is no particular regional or class variation in consumer patterns.

The main expected increase in demand is for more elaborated frozen vegetables i.e. prepared vegetables in sauce. Examples of these are broccoli in cheese sauce and green beans in mushroom sauce. Other vegetables a la creme are also expected to experience increased demand in the coming period.

8.3 Imports

Swedish imports of frozen vegetables are small relative to domestic consumption. Total imports in 1973 were 5,800 tons thus representing around 15 per cent of consumption. Imports have remained fairly steady since 1970 when the import total was 5,600 tons.

The main types of imported frozen vegetable are frozen beans at 2,305 tons in 1973, and other frozen vegetables at 2,812 tons. There are also small quantities of carrots, peas and broccoli imported but these totalled only 700 tons in 1973.

Hungary is the main supplier of frozen beans and other frozen vegetables. Italy supplies the bulk of the imported broccoli and Denmark most of the frozen carrots and peas.

8.4 Exports

Sweden was a significant exporter of frozen vegetables throughout the 1960's with exports well in excess of 10,000 tons in most years. However, there was a dramatic fall in these exports in the early 1970's from 13,700 tons in 1970 to only 4,300 tons in 1972. These exports recovered significantly in 1973 to 11,800 tons but it is difficult to assess whether this recovery will be sustained.

The main determinant of total Swedish exports is the level of frozen pea exports. These were at a peak of 15,000 tons in 1968, but fell in 1972 to only 3,873 tons. They did, however, recover to 10,727 tons in 1973 and in that represented 90 per cent of total exports. The only other significant export product is frozen carrots with sendings in 1973 of 770 tons. Small quantities of beans, spinach, broccoli and other frozen vegetables are exported but on a very insignificant scale.

Most of Sweden's frozen pea exports are sold to Italy with Portugal and West Germany being the only other markets of any size. The UK is the main recipient of frozen carrot exports.

8.5 Tariffs, quotas and regulations

See Appendix

8.6 Local manufacturers

Findus and Felix are the two main manufacturers of frozen vegetables in Sweden. Between them, these two companies account for roughly 75 per cent of the market. Foodia is the only other significant producer. Details of the three main manufacturers are:

Findus (Nestle), Fack, 267 00 Bjuv
Felix (Cavenham), 241 00 Eslov
Foodia (Co-op) (Brandname Winner) 245 00 Staffanstorp

Wholesale distribution is very much controlled by three large wholesale groups who between them supply virtually all of the main retail outlets. The three organisations are:

	Market share
KF (Co-op), Promus, Fach, S-104 65 Stockholm	30%
ICA Storhushall, Lindhagensgatan 114, S-112 51 Stockholm	30%
ASK/DAGAB, Fack, S-104 01 Stockholm	40%

Retail penetration by frozen vegetables is extensive and most of the main retail outlets carry a range of frozen vegetables.

8.7 Importers

The main Swedish importers of frozen fruit and vegetables are given below:

AB O Annerstedt (agents)
Drottninggatan 83
111 60 Stockholm

Ekman & Becksen AB (agents)
Box 53012
400 14 Goteborg 53

Tore Smith & Son AB Skomakaregatan 2 211 34 Malmo	(agents)
Elof Hansso Forsta Langgatan 19 413 27 Goteborg	(importers/wholesalers) (contact: Leif Odelbratt)
Nordman & Co Ltd AB Ekensbergsvagen 117 171 41 Solna	(agents/importers/wholesalers) (contact: Gunnar Norderdahl)
Metro-butikerna AB Strandbergsgatan 57 112 51 Stockholm	 (contact: Robert Andersson)

8.8 Advertising and promotion

Total advertising expenditure in 1974 on frozen vegetables is estimated at over 500,000 Swedish Kruners. The main wholesalers are quite insistent on promotional activity and price offers in campaign periods and weekly participation in retailer's ads are compulsory. These activities normally take up to 50 per cent of the promotion budget.

8.9 Potential for Vitaminka products

8.9 Potential for Vitaminka products

9. Switzerland

9.1 Size of market

The Swiss market for frozen vegetables has shown a steady and gradual increase over the last ten years. Total consumption of frozen vegetables in 1966 was only 3,863 tons. By 1974 this had almost trebled to just over 11,000 tons, having been almost 9,000 tons in 1972.

The bulk of Swiss consumption is produced domestically and imports represent around 25 per cent of consumption. Total production in 1972 was 6,814 tons and grew by almost 25 per cent to 8,431 tons in 1974. Although we do not have a precise breakdown of Swiss production we do know that spinach is the main type of frozen vegetable produced accounting for around 50 per cent of total production. The other main constituents of production are peas, carrots, green beans and brussels sprouts.

9.2 Consumption

Total consumption of frozen vegetables has increased by over 25 per cent from 8,978 tons to 11,235 tons between 1972 and 1974. Most of this increase in demand has been met by national production with imports only rising in line with their overall share in the market. The following table gives a breakdown of total consumption by type of vegetable in 1973:

Swiss frozen vegetable consumption

	tons	%
Spinach	6,328	59
Green beans	1,179	11
Peas	875	8
Others	2,345	22
Total	10,728	100

Frozen spinach thus accounts for almost 60 per cent of the market with green beans and peas taking a further 19 per cent.

Per capita consumption of frozen vegetables has also risen strongly since 1972 from 1.40 kgs to 1.75 kgs. However, frozen spinach accounted for 1.00 kg of the 1974 total showing the still very low level of consumption of other frozen vegetables. There is thus considerable scope for the expansion of certain more specialised vegetables such as asparagus, broccoli and sweet corn as well as the more elaborated vegetables in sauces.

Consumption patterns

The Swiss market is well divided between home and catering consumption of frozen vegetables. In 1974 home consumption represented 6,298 tons (56%) and catering consumption 4,937 tons (44%). Catering outlets, however, only account for 24 per cent of the spinach that is consumed in the country and over 70 per cent of the other vegetables. This further emphasises the limited home consumption of frozen vegetables other than spinach.

9.3 Imports

Swiss imports of frozen vegetables have increased by around one third since 1972 from 2,164 tons to 2,883 tons. Thus in 1974 they represented around one quarter of market supplies. The official import statistics do not give a breakdown of imports by type but an analysis of countries of origin shows that France and Holland were the main suppliers to the Swiss market.

9.4 Exports

Swiss exports of frozen vegetables are virtually non-existant and only amounted to 79 tons in 1974. These went totally to West Germany.

9.3 Tariffs

See Appendix.

9.6 Local Manufacturers

There are a number of manufacturers of frozen vegetables in Switzerland. However, three of the main companies account for roughly 75 per cent of the total market. These companies are:

	Market share
Findus-Frisco	20%
Migros	40%
Oitzler	15%

A detailed analysis of the main manufacturing companies follows:

Frisco-Findus SA
9400 Rorschach
Tel: (071) 41 51 41

Frisco-Findus is the largest frozen food manufacturer in Switzerland. In it's present form the company dates from 1st January 1971 when Findus Suisse (Nestle) merged with Frisco (Kocco) to form a holding company Interfrigaliment AG. In August 1971, the Swiss subsidiary of Alegmagna was also acquired by the group.

The group's frozen vegetable production is concentrated in the Frisco factory at Rorschach and the main products are spinach, peas, haricots beans and broccoli, mainly originating in their fresh form from Italy. This factory is also responsible for potato products.

The company also imports a certain quantity of deep frozen vegetables including brussels sprouts and tomatoes from the Benelux countries and Italy. Following the merger of the above companies it was decided that Findus would be the brand name for frozen vegetables and although the company accounts for roughly half of the total frozen food market in Switzerland, its share in the market of frozen vegetables is only 20 per cent.

Internal distribution is carried out by the company itself with over 100 vehicles of between 2 and 3 tons. Roughly one quarter of sales are through wholesalers who are given seven year exclusive contracts in each area. The balance in distributed direct to the retail trade.

Frisco-Findus product range includes most of the main types of frozen vegetables. The quality of the products is excellent and prices are essentially higher than those for Migros and Coop but are below those of certain up-market distributors such as Ditzler. Some examples of current prices are given below:

Current retail prices for Findus products

Product	Size (grams)	Price (S.F.)	Packaging
Green asparagus	225	4.50	cartons
Maize	250	2.50	
Spinach	700	2.70	
Beans	400	2.70	
Peas	500	3.35	

Federation des Cooperatives Migros
Limmatplatz
8005 Zurich
Tel: (01) 44 44 11

Migros is the largest food distributor in Switzerland and is second only to Findus in the production of frozen food. It is a co-operative organisation, with over 800,000 members, specialising in own-brand distriubtion of food-stuffs.

The frozen vegetable production is carried out at the Bischofszell factory which employs over 500 worker and has an annual turnover of several hundred in Union Swiss Francs. In addition, roughly 10 per cent of the frozen vegetables sold by the group are imported. The product range includes, spinach, peas, carrots, benas, broccoli, asparagus, corn and various potato products.

The group's total turnover of frozen foods was estimated to have been 75 million Swiss Francs in 1970. Of this total, frozen vegetables accounted for roughly 15 per cent thus being just over 10 million Swiss Francs. The brand name for Migros frozen vegetables is Bischofszell, and in total the group accounts for roughly 40 per cent of the Swiss frozen vegetable market.

The group's food distribution is through over 450 outlets of which more than 120 are supermarkets of between 800 and 2,500 sq. metres. The supermarkets account for roughly 60 per cent of total turnover. The group is organised into 12 administrative areas, each with a distribution centre and has it's own fleet of vehicles for distribution.

Migros' products are considered medium/good quality and prices are slightly lower than the Coop and well below those of Findus. Some examples of current prices are given in the following table.

Current retail prices for Migros products

Product	Size (grams)	Price (S.F.)	Packaging
Spinach	600	1.60	carton
Beans	400	2.10	
Peas	500	1.85	
Broccoli	300	2.20	
Mixed vegetables	300	1.40	
Fried potatoes	350	1.60	
Asparagus	500	4.10	
Peas and carrots	450	2.40	

Louis Ditzler AG
Voltastrasse 80-86
4013 Basel
Tel: (06) 43 22 80

This company initially specialised in the import and wholesale distribution of fresh fruit and vegetables but has developed, in recent years, into a major manufacturer of frozen vegetables. This production is cerried out at the two main factories at Bale with some further imports from various sources. Total frozen vegetable production is over 2,000 tons of which roughly one third is frozen spinach. Imports are irregular but the main product is frozen peas from Holland. The company specialises in importing and then freezing, fresh broccoli from Italy and fresh spinach from France. In total, Ditzler produces 14 different types of frozen vegetables.

The distribution network for this company is less extensive than it's main competitors with only about ten delivery vehicles available. However, this is not a major problem as a large proportion of it's sales are either to the main retail chains (Migros, Coop) or via large wholesalers such as Bischofberger. The remainder of sales are through the other smaller wholesalers which are not under contract to Frisco-Findus.

The company's own brand name is Ditzler but a certain quantity of the production is sold under the Coop's brand names of Lusso and Goldstar. Ditzler accounts for between 10 per cent and 15 per cent of the total Swiss market.

The product is of a high quality and the part sold under it's own brand name are quite expensive, although the Goldstar products are generally quite cheap. We have current price data for the Ditzler brand but the following table gives some examples of current prices for the Goldstar brand.

Current retail prices for Coop (Goldstar) products

Product	Size (grams)	Price (S.F.)	Packaging
Spinach	600	1.80	carton
Spinach	600	1.95	
Spinach ready	180	1.35	
Broccoli	320	2.80	
Peas	350	2.70	
Beans	320	2.40	
Fried potatoes	400	2.10	
Potato croquets	400	2.50	
Steamed potatoes	700	1.90	
"Rost"	500	1.90	

There are two smaller manufacturers of frozen vegetables:

Haller
Grumetweg 482
Mellingen
Tel: (056) 91 13 96

Volg
Schaffhauserstrasse 6
8400 Winterthur
Tel: (052) 84 11 11

The former company produces roughly 800 tons of frozen vegetables annually. This company specialises in frozen broccoli but its product range includes spinach, peas and cabbage as well as other vegetables. Distribution is through most of the major chains.

Volg is a collective group based in East Switzerland. It's specialisation is potato products but certain amounts of frozen vegetables are produced. It's brand name is Golden Frites.

9.7 Importers

The bulk of Switzerlands, imports of frozen vegetables are carried out by the major manufacturers listed in the previous section. There is no large specialised importer of frozen vegetables operating in Switzerland but the following is a list of smaller specialised importers.

Denner AG
Grubenstrasse 12
8045 Zurich

Howeg
2540 Grenchen/50

Luganello AG
6900 Lugano

Scana-Lebensmittel
8105 Regensdorf

Usego AG
4600 Olten/50

Hans Giger AG
Gutenbergstrasse 3
3003

Prodega AG
3302 Moosseedorf

Schweizerischer 'ilch-Verband
300 Bern

9.9 Potential for Vitaminka products

10. <u>Summary</u>

V THE MARKET FOR JAM

1. General

2. United Kingdom

Jam is a fairly simple product to make. It must contain at least two-thirds soluble solids and a specified minimum of fruit, normally about one-third.

According to the Food Standard (Preserves) Order, 1953, the fruit content of jam shall not be less than as specified in the following table.

Minimum Fruit Content

Description of jam	Fruit content (%)
Blackberry or Bramble	38
Blackcurrant	25
Damson	35
Gooseberry	30
Gooseberry and Raspberry	30
Gooseberry and Strawberry	30
Greengage	38
Loganberry	30
Melon and Lemon	40 (8)*
Melon and Pineapple	40 (5)
Melon and Ginger	40 (1)
Raspberry	30
Raspberry and Gooseberry	30
Raspberry and Loganberry	30
Raspberry and Redcurrant	30
Redcurrant	35
Strawberry	38
Strawberry and Gooseberry	35
Youngberry	38
All other varieties	40
Fig and Lemon	40 (8)
Rhubarb and Ginger	40 (1)

* Where figures appear in brackets in the second column of the above table, the figure in each case denotes the minimum quantity by weight of the second named fruit to be contained in the finished jam expressed as a percentage based upon the number of parts by weight of the second named fruit required to be present in 100 parts by weight of finished jam.

Discussions are at present being carried on between jam manufacturers in EEC countries and in 1977 a common standard for jam will come into force.

2.1 Size of market

Value

As the following table shows, the jam market has barely kept pace with inflation.

Value of the retail market for jam*

1967 £m	1970 £m	1973 £m	1974 £m
22.0	22.5	23.4	32.0

*this does not include jam used for catering.

Source: Mintel and Trade Estimates.

Production

Production of jams and marmalades has decreased during the last ten years.

UK Production of jams and marmalades

(Unit: '000 tons)

1964	198.3
1965	202.4
1966	206.3
1967	199.7
1968	199.0
1969	186.7
1970	187.9
1971	170.9
1972	180.7
1973	179.9
1974	174.4

Source: Ministry of Agriculture.

UK Production of jam by varieties, 1974

Strawberry and raspberry have always been the dominant varieties.

As a result of an enquiry on the production of jam by varieties in the United Kingdom, it is estimated that the production consisted of:

Type of jam	Per Cent	'000 tons
Strawberry	20	34.9
Raspberry	19	33.1
Apricot	12	20.9
Blackcurrant	11	19.2
Red Plum	4	6.9
Blackberry or Bramble	3	5.2
Damson and Greengage	2	3.5
Other varieties, including all mixtures	29	50.6
Total Jam	100	110.7
Marmalade		63.7
Total Jam and Marmalade		174.4

2.2 Consumption

The long-term trend is towards an overall decline in jam consumption, due to a change in the food pattern away from starchy products, including bread. Within the market for jams this overall decline in consumption has been accompanied by a relative growth in the demand for high quality products and a decline in the cheaper types, particularly plum jam. However, in spite of a 2 per cent per annum drop in consumption over many years, jam manufacturers say that in 1974 and 1975 consumption of jam has shown a noticeable increase. This, they feel, is due to the current economic climate in the United Kingdom, which is forcing people to use cheap basic food.

They estimate that overall consumption will increase during 1975 and 1976 and will then follow the long-term pattern of a 1 - 2 per cent decrease per year.

Household per capita consumption of jams, jellies and fruit curds

(oz. per person per year)

1972	63.4	(1.9 kg)
1973	62	(1.8 kg)
1974	not available	

Manufacturers estimate that every household consumes one jar of jam every five weeks, and that approximately 66 per cent of jam is consumed in the home as compared with 34 per cent in catering outlets. In 1974 it is estimated that 74,000 tons of jam were sold through the basic retail trade outlets.

Consumer preferences

Strawberry, raspberry and blackcurrant continue to dominate the market. Manufacturers find that strawberry is most popular with children and blackcurrant with adult males.

Jam market by variety (1973-1974)

	%
Strawberry	25
Raspberry	15
Blackcurrant	15
Apricot	10
Pineapple	5
Others	30
	100

Source: Mintel and Trade Estimates.

Jam is not only eaten at tea-time. Forty per cent of all jam consumed is eaten at breakfast, according to a survey conducted for a leading manufacturer. This survey surprised the traditionalists who had not appreciated the extent to which jam was eaten for breakfast, particularly in the North. Thus jam really is a staple part of the British diet.

Packaging

Jam is almost always packed in glass jars. Manufacturers feel that this will remain the standard form of container, mainly because glass will remain the cheapest material for UK manufacturers to use, and also because consumers prefer to see the product they are purchasing. The standard sizes for retail jars are 8 oz, 12 oz and 1 lb, although 2-lb jars are sometimes used. Jars are always vacuum sealed and have tin or aluminium twist top caps or screw caps. Bulk packs sold in cash and carry outlets usually take the form of 7 lb tin cans.

Variations in consumption

Research has been conducted among 1,000 housewives into levels of purchase of jam during a period of three months.

Items purchased in a period of three months

(base 1,038)

	All	With children	Without children
Jam	69%	84%	60%

Source: British Market Research Bureau/Mintel.

As one would expect, levels of purchase are much higher in families where there are children than in families without children.

There are some interesting varietions in the levels of purchase by region, age and class.

Jam purchased in a period of three months by region

(%)

All	North	Midlands	South
69	74	68	69

Consumption of jam is higher in the North of England, reflecting perhaps the northern habit of eating jam at breakfast. According to one manufacturer, the highest per capita consumption of jam is in Scotland.

Jam purchased in a period of three months by age

(%)

All	15-24	25-34	35-44	45-54	55-64	64+
69	76	80	84	69	64	52

In general there is widespread support for jam across the age-groups, with consumption at its highest among housewives between the ages of 25 and 44. This can be accounted for by the fact that women in this age-group are most likely to have young children living at home.

Jam purchased in a period of three months by class
(%)

All	AB	C1	C2	D	E
69	73	68	74	77	51

Again, the main point is the widespread appeal of jam across all class breakdowns, although consumption of jam is highest among the lower-middle classes.

Consumption trends

Although estimates indicate that the overall consumption of jam will decline, there is likely to be a growth in the demand for high-quality jams.

2.3 Imports

As mentioned before, home production of jams and marmalades in the United Kingdom is estimated at 174,400 tons for 1974. Imports of 7,146 tons in 1974 thus supply a small proportion of total consumption. Major commodities imported include citrus marmalade, plum, cherry, blackcurrant, raspberry and strawberry jams. Trade has been relatively static in the long term and little change is anticipated.

Imports of main varieties are shown in the following tables.

2.4 **Exports**

The United Kingdom is not a significant exporter of jam. Total exports in 1974 amounted to 5993 tons.

2.5 **Tariffs, quotas and regulations**

This information is contained in Appendix I.

Local Manufacturers

The two leading manufacturers are Robertsons and Hartleys. The leading manufacturer of high-quality jam is Wilkin and Sons with their Tiptree brand. Own-label jam claims nearly half the market. A great deal of own-label jam is obtained from East European countries by large food-buying groups.

The approximate brand share situation is as follows:

Jam brand shares

	Value (%)
Robertsons	21
Hartleys	21
Wilkin	3
Other brands	5
*Imported brands	2
Own-label	50

*These will be discussed in Section 2.7 on importers.

The mass market is for good quality medium-priced jam containing fresh or frozen fruit. Cheaper jams contain preservative and less fruit. High-quality jams do not contain preservative and have a very high fruit content.

Prices

Retail margins are usually between 20 and 25 per cent. Wholesale margins are usually about 10 per cent. Retail and trade prices of selected brands are given in the following table.

Manufacturer	Pack size	Trade price per doz.	Retail price each
Dietetic Products (UK)			
Stute Continental Brand	1 lb		
Strawberry, Apricot,			
Raspberry, Blackcurrant		£2.59	
Morello Cherry		3.29	
Assorted miniatures:	120 x		
Strawberry, Morello Cherry,	1 oz		
Apricot, Blackcurrant,			
Seville Orange Marmalade		3.20	
24 trays of 6 x 1oz			
assorted flavours		4.49	
Elsenham Quality Foods			
Apricot preserve	12 oz		44p
Black Cherry (sweet Swiss)			65
Blackcurrant preserve			44
Loganberry preserve			54
Morello Cherry preserve			54
Peach preserve			49
Raspberry preserve			99
Redcurrant jelly			44
Strawberry preserve			44
Marmalade with Navy Rum	12 oz		54
Marmalade with Scotch Whisky			54
Marmalade with Vintage Brandy			54
Apricot with Almonds and Sherry			59
Blackcurrant with Rum			59
Cherry with Almonds and Brandy			65
Peach with Orange and Brandy			59
Strawberry with Orange and Curacao			59
Gift packs: Tripack			44
5 Miniature liqueur pack			85
Elsenham Hall pack			99
1890 pack			1.35
Small Fresh Fruit Dish pack			1.45
Small Marmalade Dish pack			1.45
Small Assorted Dish pack			1.45
Small Liqueur Dish pack			1.45
Large Fresh Fruit Dish pack			2.20
Large Assorted Dish pack			2.20
Large Liqueur Dish pack			2.20
Marmalade Zodiac pack			69
Fresh Fruit Zodiac pack			69
Liqueur Zodiac pack			69

Manufacturer	Pack size	Trade price per doz.	Retail price each
Cadbury-Schweppes Foods			
New Jams (Hartleys)	12 oz screw cap		
Apricot		£2.51	25p
Blackcurrant		2.51	25
Blackcurrant Jelly		2.51	25
Bramble Seedless		2.51	25
Pineapple		2.51	25
Raspberry		2.51	25
Strawberry		2.51	25
Damson		2.51	25
Red Currant Jelly		2.51	25
Raspberry (seedless)		2.51	25
Red Plum		2.51	25
Tangerine		2.51	25
Cadburys Fruit Conserve	12 oz		
Apricot, Blackcurrant, Raspberry, Strawberry		3.19	32
Moorhouse	1 lb		
Blackcurrant		2.96	29½
Bramble Seedless		2.96	29½
Red Plum		2.96	29½
Raspberry		2.96	29½
Raspberry Seedless		2.96	29½
Strawberry		2.96	29½
Mixed Fruit		2.51	25
Costa, G. & Co			
Hero Brand	12 oz		
Fruit of Rose		3.66	
Raspberry		5.04	
Apricot		4.56	
Black Cherry		5.88	

Manufacturer	Pack size	Trade price per doz.	Retail price each
Ledbury Preserves (1928) Ltd			
Fresh fruit jams	1 lb		
Apricot, Blackcurrant, Raspberry, Strawberry		£2.76	30p
Marmalade medium cut		2.43	26½
Marmalade coarse cut		2.49	27
Jelly Marmalade		2.28	24½
Lemon Curd	14½ oz	2.28	24½
"Belle Orchard" Table Jams	1 lb		
Apricot, Blackcurrant, Raspberry, Strawberry		2.56	28
Apple & Blackcurrant		2.30	25
Apple & Raspberry		2.30	25
Apple & Strawberry		2.30	25
Mixed fruit		2.18	23½
Seville Orange Marmalade		2.30	25
Plum		2.30	25
"Ledbury" Fresh Fruit Conserves			
Apricot	1 lb	3.75	42
Blackcurrant		3.53	39
Raspberry		3.35	37
Strawberry		3.35	37
Swiss Black Cherry		4.03	45
Seville Orange Marmalade		2.72	30
Ginger Marmalade		4.09	46
Robertson Foods			
Golliberry, Bramble Seedless	½ lb	1.64	16½
	1 lb	2.99	29½
Strawberry	½ lb	1.64	16½
	1 lb	2.99	29½
Raspberry, Raspberry Seedless	½ lb	1.64	16½
	1 lb	2.99	29½
Blackcurrant Jam and Jelly	½ lb	1.64	16½
	1 lb	2.99	29½
Apricot	½ lb	1.64	16½
	1 lb	2.99	29½
Plum	½ lb	1.64	16½
	1 lb	2.99	29½
Damson	½ lb	1.64	16½
	1 lb	2.99	29½
Redcurrant Jelly	½ lb	1.64	16½
	1 lb	2.99	29½
Pineapple	1 lb	2.99	29½

Manufacturer	Pack size	Trade price per doz.	Retail price each
Wilkin and Sons			
Conserves	12 oz		
Blackcurrant			30
Cherry, Black			43
Cherry, Morello			33
Cherry, Ruby			34
Damson			29
Gooseberry, Green			29
Greengage			31
Loganberry			35
Mirabelle			35
Mulberry			59
Plum, "Tiptree", Plum, Victoria			33
Quince			41
Raspberry, Sweet-tip			33
Raspberry, Tinytip			34
Strawberry "Tiptree"			31
Little Scarlet Strawberry			48
Stoneless and Seedless			
Damson Stoneless			32
Greengage Stoneless			29
Raspberry Seedless			36
Jellies			
Blackberry Jelly			33
Blackberry & Apple Jelly			34
Blackcurrant Jelly			30
Crab Apple Jelly			30
Cranberry Jelly			33
Elderberry Jelly			31
Golden Apple Jelly			28
Medlar Jelly			31
Plum Jelly			31
Quince Jelly			34
Redcurrant Jelly			32
Strawberry Jelly			34
Preserves			
Apricot			33
Ginger			32
Peach			33
Pineapple Preserve			31
Fig, Green			40

Distribution

Hartleys benefit from the strength of their parent company Cadbury/Schweppes's sales operation in multiples and co-operatives where they do as well as Robertsons. However, Robertsons are particularly strong among independent and symbol groups. Distribution is approximately as follows:

Distribution	%
Co-operatives	17
Multiples	53
Independents	31

2.7 Importers

Imported brands

The main imported brands on the U.K. market are as follows:

Oberon - (imported by Karl Mischeff from Bulgaria and Hungary).

Krakus - (imported by L. Schweizer Ltd, Kamastra Produce, Yorkshire Delicatessen Merchants from Poland).

Savoy

Carnival

Hero - (imported from Switzerland).

Stutte Continental (imported from Germany by Dietetic Products (U.K.)).

These jars are mainly imported in 1lb and 12 oz. jars.

The following varieties of Krakus and Oberon jams are available.

Krakus

Blackcurrant
Strawberry
Raspberry
Bilberry
Morello Cherry
Plum
Gooseberry
Red Currant
Apricot
Peaches
Pumpkins and apples
Povidel plum spread
Cranberry sauce.

Oberon

Raspberry
Strawberry
Apricot
Blackcurrant
Peach
Plum
Morello cherry
Blackberry
Bilberry

Names and addresses of Importers:

Karl Mischeff,
118 Southwark Street,
LONDON S.E.1.

(Tel: 928 8966)

L. Schweizer Ltd,
57173 Pancras Road,
LONDON N.W.1.

(Tel: 837 8112)

Kamastra Produce,
Hull,
YORKSHIRE.

Yorkshire Delicatessen Merchants,
Bradford,
YORKSHIRE.

C.R. Braybrooke & Co. Ltd,
38 - 40 Featherstone Street,
LONDON, E.C.1.

(Tel: 01-253 0571)

Dietetic Products (U.K.) Ltd,
55 Park Street,
BRISTOL.

(Tel: 0272 20714)

Henry Jones (Foods) Ltd,
Bridge Road,
Southall,
MIDDLESEX.

(Tel: 01-0233/6)

Names and addresses of Importers (cont.)

Koo International Ltd,
36 - 37 Piccadilly,
LONDON, W.1.

(Tel: 01-734 5611)

Parrish & Fenn Ltd,
Felnex Trading Estate,
190 London Road,
Hackbridge,
SURREY.

(Tel: 01-669 5201).

2.8 Advertising and promotion:

Methods

Robertsons and Hartley are the only manufacturers who advertise on a large scale, and this mostly takes the form of television commercials. Minor brands, especially imported brands, tend to advertise in magazines and on posters. There are a considerable number of Krakus posters on the walls of the London Underground Network.

Expenditure

The following table summarises television and press expenditure on jam in 1972, 1973 and 1974.

	1972	1973	1974
Cadbury fruit conserve			21,400
Delicia jam range			11,100
Moorhouse	-	74,600	-
Hartleys new jam	208,400	177,000	202,600
Robertson jams	134,900	143,000	89,800
Tiptree	5,300	9,300	-
Others*	576,500	445,200	252,400
Total jam, preserves and mincemeat	925,100	849,100	577,300

*This category includes honey, marmalade and unspecified brands of jam.

2.9 Potential for Vitaminka products

The mass market for medium-priced jam is dominated by Robinsons and Hartleys and there would be little possibility of Vitaminka products being able to break into this area. However, in view of the increased demand for high-quality jams we consider that there might be a market in the United Kingom for high quality jams and preserves.

2.10 The market for Diabetic jam in the U.K.

There are approximately 500,000 diagnosed diabetics in the U.K. This is only 1 per cent of the population, thus the market for diabetic products is limited. Diabetic jam is made with sorbitol instead of sugar. This is to be distinguished from dietetic jam which is a low calorie jam containing fruit sugar. The size of the market for dietetic and diabetic jams is estimated to be in the region of £1.5m. The diabetic jam on its own is thought to be worth £400,000. Manufacturers work on the principle that diabetic jam is worth 1% of the total jam market.

The following brands of diabetic and dietetic jam are available in the U.K.

(dietetic)	Energen	- manufactured by RHM Foods Ltd
(diabetic)	Frank Cooper	- manufactured by Com Products Co.
(dietetic)	Stute Continental	- manufactured by Dietetic Products (U.K.)
(dietetic)	Dietade	- manufactured by Appleford
(dietetic)	Allinson	- manufactured by Booker McCornnell Ltd
(diabetic)	Boots Own Label	

Brand shares in the diabetic jam market are as follows:

Parent Company	Manufacturer	Market share %
C.P.C.	Frank Cooper	60
Boots	Boots own label	35
	Others	5

Packaging

Standard packs are 7 oz., 8 oz., 15 oz., and 1lb glass jars with vacuum sealed screw-top lids.

Prices

Prices, pack sizes and retail margins of the leading brands are given below:

Brand	Variety	Pack size	List price per doz.	R.S.P.	Trade Margin at list price
Energen	Chunky Mar.	8oz	£2.475	25p	17½%
	Orange Jelly	"	"	"	"
	Apricot	"	"	"	"
	Blackcurrant	"	"	"	"
	Strawberry	"	"	"	"
	Blackcherry	"	"	"	"

../cont.

Brand	Variety	Pack Size	List price per doz.	R.S.P.	Trade Margin at List price
Frank Cooper	Marmalade	7oz	£2.40	25	20%
		15oz	£3.36	35p	20%
	Preserves:				
	Apricot)	7oz	£2.595	27p	20%
	Blackcurrant)				
	Raspberry)	15oz	£3.89	40½p	20%
	Strawberry)				
	Black Cherry	7¼oz	£3.70	38½p	20%
	Jellies:	7oz	£2.74	28½p	20%
	Blackberry				
	Raspberry				
	Redcurrant				
Dietade	Blackcherry jam	8oz	2.86p	30p	20.5%
	Apricot	"	2.70p	30p	25%
	Blackgrape	"	"	"	25%
	Marmalade with peel	"	"	"	25%
Stute Continental	Seville orange marmalade	1lb	£2.39	N/A	N/A
	Strawberry jam	1lb	£2.59	N/A	N/A
	Blackcurrant jam	1lb	"	N/A	N/A
	Apricot jam	1lb	"	N/A	N/A
	Morello cherry jam	1lb	£3.29	N/A	N/A
Allinson	Strawberry	1lb	N/A	30p	N/A
	Morello cherry	1lb	N/A	"	N/A
	Blueberry	1lb	N/A	"	N/A
	Blackcurrant	1lb	N/A	"	N/A
	Raspberry ginger	1lb	N/A	"	N/A
	Orange	1lb	N/A	"	N/A
	Apricot	1lb	N/A	"	N/A
	Pineapple	1lb	N/A	"	N/A

Brand	Variety	Pack Size	List price per doz.	R.S.P.	Trade Margin at List price
Boots own label	Blackcurrant preserve	7oz	N/A	17½	N/A
	Strawberry preserve	15oz	N/A	30p	N/A
	Fine cut marmalade others	15oz	N/A	25p	N/A

Distribution

Most diabetic and dietetic jams are being sold through chemists, drugstores and health food stores. Boots the chemists normally list three brands of dietetic and diabetic jams namely Energen, Frank Cooper and Boots own label. Some major multiples including Tesco and Fine Fare sell Energen low sugar jams.

Importers

Stute Continental is the only imported brand. It is a dietetic jam imported from Germany by Dietetic Products (U.K.) who are based in Bristol.

Advertising and promotion

Advertising is at present limited to specialist trade magazines. Since this is not a mass market, widespread consumer advertising is not necessary. The only promotional activity on this type of product appears to be in-store price cutting.

Potential for Vitaminka Products

The U.K. market for diabetic jam is small and growth is limited since only 1 per cent of the population is diabetic. We therefore consider that there is no potential for the export of Vitaminka products.

Names and addresses of leading manufacturers

Cadbury-Schweppes Foods Ltd,
P.O. Box 171,
Franklin House,
Bournville,
BIRMINGHAM, B30 2NA.

(Tel: 021-458 2000)

Robertson (James) & Sons,
Preserve Manufacturers Ltd,
"Golden Shred" Works,
Paisley,
RENFREWS.

(Tel: P4231)

Wilkin & Sons Ltd,
Tiptree, Colchester,
ESSEX, T.407.

Energen,
R.H.M. Foods Ltd,
10 Victoria Road,
LONDON NW10 6 NU.

(Tel: 01-965 6565)

Boots Ltd,
NOTTINGHAM.

Frank Cooper,
C.P.C. (United Kingdom) Ltd,
Claygate House,
Esher,
SURREY, KT10 9PN.

(Tel: Esher 62181)

3. France

3.1 Size of market

The French market for jams and related products is extemely large. Sales of actual jams exceeded 110,000 tons in 1973 while fruit compote sales were just over 50,000 tons.

French production has grown considerably in recent years. The production of pure fruit jams has risen by 30 per cent from 70,000 tons in 1970 to 95,000 tons in 1973 and mixed jam production at around 18,000 tons has remained fairly constant.

French jam and related products production (1970-1973)

('000 tons)

	1970	1971	1972	1973
Jam (Pure fruit)	69.9	71.7	76.8	94.9
Mixed Jams (Fruit & apple)	18.6	17.2	17.3	18.0
Fruit Purees	11.9	10.0	10.0	14.4
Fruit Compotes	38.4	34.1	38.6	51.9

We do not at present have any precise breakdown of production by type of jam but we believe that the main varieties produced in France are strawberry, cherry and apricot.

3.2 Consumption

Total consumption of jams in 1974 is estimated at around 150,000 tons. Of this total, roughly two thirds was produced by industrial manufacturers and the balance was home production. Total per capita consumption was therefore 2.8 kg, although per capita consumption of commercially produced jams was only 2.0 kg.

We do not have a precise breakdown of consumption by types of jam but recent estimates suggest that around 50 per cent of consumption was strawberry and apricot jams, the balance being mainly cherry, gooseberry, raspberry, plum and orange marmalade.

Consumption patterns

Over 80 per cent of all jams are used for home consumption. Catering and industrial outlets are each estimated to account for between 5 per cent and 10 per cent of total supplies.

Home consumption of jam is mainly at breakfast time or as a dessert after one of the other two main meals of the day. Previously jam was eaten by children at the gouter (equivalent of tea time) but both this and the dessert tradition of eating jam are dying out in the face of competition from substitutes such as yoghurt.

The following tables give a breakdown of consumption in socio-economic terms.

Farmers and farm workers have the highest consumption levels. although they mainly consume home produced jams. Other high consumers are executives and non-active members of the work force. The highest regional consumption is in the South and Mediterranean region followed by the West, Centre-East and Paris regions. Also there is a marginally higher consumption of jam in medium size town than in either small or large town.

Breakdown of jam consumers by socio-economic category

(kg per capita)

	Total	Purchases	Own Production
Farmers	3.68	1.43	2.25
Farm workers	3.46	2.38	1.08
Heads of Industry	1.91	1.43	0.48
Senior Executives	3.09	2.63	0.46
Executives	2.80	2.21	0.59
White Collar Workers	2.09	1.75	0.34
Manual workers	2.17	1.82	0.35
of which:			
Skilled	2.10	1.70	0.40
Non-active	3.10	2.31	0.79
Total	2.62	1.95	0.67

Breakdown of consumption of jams by region

(kg per capita)

	Total	Purchases	Own Production
Paris area	2.49	2.18	0.31
Paris basin	2.67	1.67	1.00
North	2.26	1.85	0.41
East	2.19	1.30	0.89
West	2.78	2.01	0.77
South-West	2.47	1.94	0.53
Centre-East	2.76	2.00	0.76
South and Mediterranean	3.25	2.58	0.67
Total France	2.62	1.95	0.67

Jam consumption by non-agricultural households, by size of town

(kg per capita)

	Total	Purchases	Own Production
Rural Areas	2.35	1.57	0.78
Urban Areas with:			
under 10,000 inhabitants	2.53	1.80	0.73
10,000-100,000 inhabitants	2.59	2.11	0.48
over 100,000 inhabitants	2.51	2.19	0.32
Total	2.49	2.01	0.48

The main demand in France is for medium quality jams which account for around 60 per cent of consumption. High and low quality jams each account for around 20 per cent of the market.

Packaging

Around 70 per cent of all jams are sold in 450 gram glass jars.

3.3 Imports

Considering the size of the French market, import levels are in fact very low. Total imports have fallen from 4,356 tons in 1972 to only 3,191 tons in 1974, thus at no time representing more than 5 per cent of the home market. Most imports are of jams with a high content of added sugar. These have originated mainly in Belgium and Tunisia. Most marmalade imports are from the UK.

3.4 Exports

Again, in comparison with domestic production French exports of jam are also low. Total exports in 1972 were 5,389 tons and by 1974 these had grown to 5,735 tons. Exports are thus almost double the import level. These exports are mainly of jam with a high sugar content and the main export markets are Belgium and West Germany.

3.5 Tariffs

See Appendix.

3.6 Local Manufacturers

During the 1960's there was a steady contraction in the number of jam manufacturers in France. However, by 1970/1 this appears to have stopped and in that year there were around 100 jam manufacturers in operation. However, the 10 largest of these companies account for over 60 per cent of total production and in the absence of any significant imports, around the same percentage of the total market. The five most important of these are:

	1974 market share %
Andros	10
Materne	9
Lerebourg	8
Lenzbourg	7
Vitrac	6-7

It is these companies who largely supply the private label brands which are estimated to account for roughly 15 per cent of the market and their importance in market supplies is therefore that much greater.

Wholesale distributors handle around 40 per cent of all jams sold in France, mainly serving independent retailers, while the remainder of total supplies are delivered directly from the producers to central retail purchasing organisations. Manufacturers have very few regional depots. At the retail level independent grocery outlets account for almost half of total sales and branch stores take a further 27 per cent as the following table shows:

Breakdown of retail sales of jam by type of retail outlet

%

Type of ownership	Conventional retailers	Supermarkets	Self-service	Itinerent vendors
Independent	27.9	9.1	9.1	3.2
Branch Store	8.3	9.0	10.5	1.3
Cooperative	3.2	0.9	2.9	0.2
Department or variety store	0.1	8.9	5.3	-
Total	39.6	27.9	27.8	4.7

Retail margins vary between 10 per cent and 25 per cent depending on the type of outlet while wholesale margins are, on average, 12 per cent.

The leading French manufacturers are:

Andros
46290 Briars (LOT)
Tel: 153

This company, which is still privately owned, accounts for roughly 10 per cent of the total market. It has a staff of 200 and is involved in the production and distribution of honey as well as jam. It's products sell under the Andros brand (high quality) and Bonne Mamau brand (medium quality). Distribution is direct to the leading chains but wholesalers are used for sales to the smaller independent outlets.

Current prices for Andros products

Product	Size (grams)	Price (Fr.F.)
Bonne Marman		
Orange	450	2.40
Raspberry	450	3.60
Strawberry	450	3.20
Apricots	450	2.80
Plum	450	3.65
Redcurrant	450	3.05
Pineapple	450	3.40

Materne
Bonat (Aisne)
Place de la Gare

Materne is a subsiduary of W.R. Grace and employs between 100 and 200 people depending on seasons. In 1974 it is estimated to have accounted for roughly 9 per cent of the French market. It's products sell under the Materne brand and are of medium to high quality. Again distribution is direct to the leading chains with smaller outlets supplied by wholesalers.

Current prices for Materne products

Product	Size (grams)	Price (Fr.F.)
Redcurrant	450	3.80
Strawberry	450	3.80
Cherry	450	4.10
Prune	450	2.95

Information on the other leading manufacturers

Lerebourg, 54460 Liverdun, Nancy. Tel: 539 294. Medium to high quality product range. Brands - Lerebourg, Broutchoux, Kinnel. Market share 8 per cent.

Lenzbourg, 91 Ave General Frere, 69008 Lyon. Tel: (98) 744 538 Medium to high quality product range. Grands - Lenzbourg. Market share 7 per cent.

Vitral, 109 rue de France, 94300 Vincennes. Tel: 8083990 Medium quality products. Brands - Vitral, Fruit d'Or, Janis, Joy. Market share 6-7 per cent.

The following table shows current prices for the above company's products:

Current prices for the other main manufacturer's products

Brand	Product	Size (grams)	Price (Fr.F.)
Vitral			
	strawberry	450	3.95
	cherry	450	4.50
	four fruits	450	4.50
	bilberry	450	4.65
	apricots	450	3.40
Lerebourg			
	strawberry	800	3.05
	redcurrant	450	2.00
	myretleberry	450	3.80
	raspberry	450	3.20
	strawberry	450	2.65
	apricots	25	9.70
	strawberry	25	9.70
	cherries	450	2.55
	pear	450	2.65

Current prices for the other main manufacturer's products (contd.)

Brand	Product	Size (grams)	Price (Fr.F.)
Lenzbourg			
	apricots	900	4.15
	redcurrant	450	4.35
	raspberry	450	4.55
	prune	450	3.85
	apricots and apple	800	3.05

3,7 Importers

The leading French importers/wholesalers of jam are as follows:

Asipag SA
109 rue de l'Universite 75007
Paris 7E

Klockner Ina France SARL
27 rue Marbeuf 75008
Paris 8E

Alma (Ste) SA
13 rue Nicolas-Rogert Zone Industrielle de la Garenne
93600 Aulnay-Sous-Bois

Intersud SA
40 rue de Westermeyer 94200
Ivry-Sur-Seine

La Gervaise
8 rue des Arpentes 93310
Le Pre St. Gervais

Patesfrance
236 rue des Toloiac
Paris 13^{0}

3.8 Advertising and promotion

There is very little advertising or promotional expenditure on jams. Promotions generally take the form of display stands with price reduction offers or "three for the price of two" offers.

Materne and to a lesser extent Lenzbourg are the only companies with any serious advertising budgets. In total the industry spent F.F. 1.2 million in 1970 on advertising mostly on TV and newspapers.

3.9 Diabetic jams

Total sales of diabetic products amounted to F.F. 200 - 250 million in 1974. No precise breakdown of the market showing the sales of jams is available, but we do know that the overall market is stable.

There are three main types of diabetic jam on the French market:

Low calory jams	-	Gayclord Haussen
Jams for diabetics	-	Alidose and Aluno
Health (natural) jams	-	Almo, Pieral

The leading manufacturers are:

Gagclord Haussen	-	Diepal brand
Alidose and Almo	-	Olida baby brand

Several smaller manufacturers.

Some examples of current prices are as follows:

Low calory - Gaylord Haussen - 200 gr. - 4.20 F.F.
varieties: strawberry, orange, apricot

Jams for diabetics - Alidose and Almo - 400 gr. - F.F. 4.80, 7.00, 7.50
varieties: apricot, cherry, bilberry, strawberry

Health jams - 450 gr. F.F. 4.30. 5.90. 6.90
varieties: all main types

Retail and wholesale margins are similar to those for high quality jams and distribution is via, super markets, chemists and health food shops.

3.10 Potential for Vitaminka products

4. Belgium

4.1 Size of market

Total sales of jams, marmalades and fruit compotes in the Belgian market in 1972 were 41,220 tons with a total market value of BF 1,073 million. By 1973, these sales had increased to over 57,000 tons. We estimate that actual jam and marmalade sales accounted for around a half of the 1972 total and a third of the 1973 total.

The production of all of the above products has grown substantially since 1971. Total production increased by 16 per cent in 1972 and by 61 per cent in 1973.

Production of jams, marmalades and fruit compotes

	Volume (tons)			Value (BF million)	
	1971	1972	1973	1971	1972
Citrus fruit* and other jams	18,416	19,498	20,364	546.9	579.1
Fruit Compotes	13,992	17,990	39.924	210.7	340.9
Total	32,408	37,488	60,288	757.6	920.0

*Marmalade

As the above table shows, most of the overall growth has been in the production of fruit compotes. Production of this product increased by 29 per cent in 1972 and by over 120 per cent in 1973. At the same time the actual production of jams and marmalades only managed to increase by 6 per cent in 1972, and by 4 per cent in 1973. Between 1971 and 1972 the value of total production rose by over 20 per cent, again with most of the increase being in the value of fruit compotes production.

The following breakdown of output of jams and marmalade by type of fruit relates to Materne, the market leader, but is considered to be indicative for most other Belgian manufacturers.

Breakdown of Materne's production by type of fruit

	%		%
Strawberry	21	Bilberry	10
Red Currant	14	Pineapple	3
Cherry	12	Plum	3
Apricot	12	Greengage	3
Four fruits	10	Others	12

Strawberry is already the main type of jam produced in Belgium accounting for around one fifth of production. Together with redcurrant, cherry and apricot jams, these account for roughly 60 per cent of all production.

4.2 Consumption

The apparent consumption of jams, marmalades and fruit compotes has increased considerably over recent years having risen by 67 per cent between 1971 and 1973, from only 34,600 tons to 57,850 tons. This increase in apparent consumption largely reflects the very sharp increase in production over the period with imports growing by less than 10 per cent. Annual per capita consumption has risen in line with the overall increase in consumption. Per capita consumption in 1971 was 3.50 kgs but by 1973 this had risen to 5.90 kgs.

Consumption patterns

According to a recent consumer survey, 92 per cent of all Belgian housewives, 84 per cent of all children and 74 per cent of all married men regularly consume jam or related products. Of all consumers, 43 per cent eat jam once a day, and 20 per cent more than once a day. Only 3 per cent of consumers eat jam less than once a week.

Breakdown of jam consumption by type of product (1973)

(% of consumers)

	Preferred Variety	Actually Consumed Variety
Strawberry	27	61
Red Currant	18	31
Cherry	11	42
Apricot	11	41
Four fruits	7	33
Plum	6	18
Bilberry	4	17
Raspberry	3	9
Orange	2	9
Pineapple	2	15

Packaging

More than three quarters of all jams produced in Belgium are packed in 450 gr., 900 gr. and 3,500 gr. glass jars. The remainder are in 1,000 gr., 3,00 gr. and 5,000 gr. tins and one portion (30-35 gr.) plastic or aluminium containers. The 450 gr. jar accounts for around 75 per cent of sales in jars. Tins are mainly used by caterers as are the one-portion packs.

4.3 Imports

After a period of continued growth throughout the 1960's, Belgium imports of jams, marmalade and fruit compotes have reached something of a plateau in recent years. Total imports which were 11,306 tons in 1972, fell to under 10,000 tons in 1973 before recovering to 11,624 tons in 1974. The bulk of these imports are actual jams with marmalade representing roughly 5 per cent of the total and fruit compotes around 10 per cent.

The following table provided by Materne gives a socio-economic breakdown of Belgian jam consumption.

Socio-economic breakdown of monthly household consumption by number of jars (1973)

(%)

No. of jars	All Households	Age 35-54	Upper Income Group	Household with 5 or more	Household with children less than 15
1	15	13	4	6	10
2	27	22	21	12	20
3	13	13	20	12	14
4	23	25	25	24	25
5	5	6	4	9	7
6	5	6	7	9	7
7	1	1	1	2	1
8	7	8	9	13	9
9	-	-	-	1	1
10	1	2	1	3	2
10+	3	4	8	9	4

The above figures show that roughly one quarter of all households consume four jars of jam per month and that this level of consumption is constant in the 35-54 age group, upper income families and large families with children aged below 15.

Further research suggests that in addition to its use as a spread the most popular uses for jam are: as a cake trimming (35%), on pancakes (29%), and as an ingredient in sauces (77%).

Consumer preferences

By far the most popular type of jam is made from strawberries. This is followed by redcurrant, cherry and apricot. A further breakdown of consumer preferences is given in the following table:

Most of the imported jams originate in Holland which supplied over 5,500 tons in 1974. Other significant suppliers are France and West Germany.

4.4 Exports

Annual exports of jams, marmalades and fruit compotes have over the period grown particularly strongly. These exports totalled 8,817 tons in 1972 and increased by around 50 per cent by 1974 to 13,815 tons. This increase occured despite a very sharp setback to exports in 1973. Fruit compotes make up the bulk of exports with actual jam exports representing around a quarter of the total and marmalade under 1 per cent.

West Germany is by far the main export market and in 1973 received around 70 per cent of all exports. Holland and France are the only other significant markets.

4.5 Tariffs

See Appendix.

4.6 Local manufacturers

In 1972 there were 14 main manufacturers of jam and related products. However, the two market leaders Materne and Goessens account for almost 80 per cent of production and 50 per cent of consumption. Hartog is the main importer/distributor and accounts for around 25 per cent of consumption. The following table gives a breakdown of production and sales by the main companies.

Market shares in production and sales of jam and marmalade in 1973

(%)

	Production	Sales
Materne	59.0	35.0
Goessens	19.0	12.0
Hartog	-	25.0
Hendrix-Lamberts	10.0	7.0
De Kempen	8.0	9.0
Andros	-	4.0
Others	4.0	8.0
Total	100.0	100.0

Virtually all jams packed in glass jars are distributed by wholesalers, while tinned products are usually sold directly to caterers. There are roughly 3,000 wholesalers in Belgium supplying some 27,500 retail outlets. Normal wholesale margins for jams are around 12 per cent while retailers normally operate with an 18 per cent mark-up.

The main Belgian manufacturers are:

Confiture et Conserverie Européenne Materne S.A.
Rue de Progres 22
5100 Jambes

Materne is the largest producer of jam and related products in Belgium accounting for around 60 per cent of total production and 35 per cent of total sales. The present company was founded in 1969 following the merger of CCE Materne (previously a subsidiary of W.R. Grace S.A.) with Coniflux (previously the second largest Belgian producer). The company's output in 1973 was 12,000 tons and turnover was BF 390 million. Roughly two thirds of this production is distributed for home consumption and the balance is sold directly to institutional users.

The company's product range includes 21 different varieties, mainly sold under the company's own brand names of Materne (home market) and Confilux (export). Private label brands include GB, Sarma, Priba and Del Rio. Roughly 22 per cent of sales in 1973 were to export markets mainly West Germany (1,350 tons), Holland (300 tons) and France (700 tons).

Current retail prices for the company's product are as follows:

Current retail prices for Materne products

Product	Size (grams)	Price (BF)
Apple compote	1,000	47.60
Rhubarb jam	"	47.20
Cherry-Plum jam	"	50.40
Redcurrant jam	"	54.50
Cherry jam	"	54.50
Strawberry jam	"	54.50
Orange marmalade	"	54.50
Apricot jam	"	54.50

N.V. Goessens & Co.
(de Heerketels Industriezone)
3800 Saint-Truiden

Goessens is now the second largest producer of jam in Belgium with around 20 per cent of production but only 12 per cent of domestic sales. Total production in 1973 was 3,860 tons of jam with a value of BF 114 million. In that year 18 per cent of production was exported. In total the company produces 13 different varieties of jam although strawberry and cherry each take up 19 per cent of total output, four-fruit jams 12 per cent and apricot and redcurrant 11 per cent each. The company's brands are Arbo for pure quality jams and Goessens for the lower price/quality household types. Both of these brands are exclusively distributed by wholesalers.

The other main producers are Hendriclx-Lamberts with an annual output of 2,000 tons and De Kempen with 1,800 tons.

4.7 Importers

The leading importer/distributor of jams in Belgium is Hartog S A. Burssels, part of the Unilever group, which is thought to have imported 7,000 tons from the Netherlands in 1973 (brand de Betuwe).

Other less important, importers are:

Delby's NU, Moortsel	(Brand: Bulgar)
H. Genucchi Sprl, Brussels	(Brand: Hero from Switzerland)
Hero Drinks, Brussels	(Brand: Hero from Holland)
Deltec Foods Beuehux, Antwerp	(Brand: Derica)

Other imported brands on the Belgian market are Robertson (UK), Andros, Fauchon and Hécliard (French) and Schwartau (W.G.)

Current prices for some of these imported brands are as follows:

Current prices for certain imported brands of jam

De Betuwe	Size (grams)	Price (BF)
Apricots	1,000	48
Strawberries	"	51
Pineapple	"	51
Redcurrants	"	51
Myrtleberries	"	51
Rhubarb	"	51
Cherry/Strawberry	"	51
Hero		
Red Currants	"	160
Myrtleberries	"	160
Robertson's		
Orange Marmalade	"	90.30
Bulgar		
Cherry	"	62
Apricots	"	62
Peach	"	62
Strawberries	"	62

4.8 Promotion and advertising

Overall advertising expenditure on jams is fairly small. The majority of producers do not advertise at all except for Materne and Hartog who spent BF 10 million and BF 5 million respectively on media advertising in 1973. Generally, consumer-orientated promotional activities, such as special discount offers, are considered to be more effective than media advertising.

4.9 Potential for Vitaminka products

At present we have no information on diabetic jams other than the name and address of two manufacturers. These are:

L'Ardennaise
Rue des Courtils 23
4182 MY

Lansa
Steeweg op Merksplas
2310 Rijkevorsel

5. Holland

5.1 Size of market

The domestic market for jam is relatively small amounting to around D.FI. 80 million in 1972. Total consumption had been fairly static at around 24,000 tons for several years although estimates suggest that it may have fallen to between 20,000 and 22,000 tons in 1974. The main growth in recent years has been in Dutch exports which have risen to over 20,000 tons in recent years.

Dutch production has grown fairly steadily since 1968 from 26,300 tons then to 35,100 tons in 1973.

Dutch production of jam and marmarlade

	tons
1968	26,300
1969	28,400
1970	27,900
1971	28,800
1972	34,400
1973	35,100

Although we do not at present have a precise breakdown of domestic production, we do know that the main domestic variety is strawberry followed by cherry, apricot and blackcurrant.

5.2 Consumption

Dutch consumption of jam had been extremely steady at around 24,000 tons for several years. Recent estimates suggest that it may have fallen slightly to between 20,000 and 22,000 tons in 1974. This nonetheless represents a per capita consumption level of around 1.60 kgs as against 1.70 kgs up to 1972.

It is estimated that between 75 per cent and 80 per cent of consumption is by households with the balance being in the catering/industrial sector.

Consumption patterns

Dutch consumption is mostly of strawberry jam which is estimated to account for 40 per cent of the total with cherry, apricot and blackcurrant also of importance. Marmalade is only of minor importance and most of this is imported, usually from the UK.

Holland is very much developing into a quality market with the Extra (high quality) types of jam growing at the expense of the Huishoud (medium quality). At present Extra types account for around 35 per cent of the market but their share is expected to grow even larger. The Huishoud II (low quality) jams which usually use apple as a filler are rapidly decling in importance.

Regional and class variations are of relatively little importance in the market for jams. There may be a slightly higher level of consumption of high quality jams amongst the AB group and in small families.

Packaging is largely in glass jars and 75 per cent of total sales are in jars of 450 grams.

Overall the jam market is not expected to expand in the coming period mainly because:

a) people are eating less bread
b) decreasing birth rate
c) fierce competition from other products such as honey, peanut butter etc.

5.3 Imports

Dutch imports of jams and related products have remained extremely stable in recent years at almost exactly 2,200 tons. The main constituent of Dutch imports is jams with added sugar mainly from West Germany and Bulgaria. Other important imports are marmalades from the UK and Ireland and fruit compotes, from various countries.

5.4 Exports

Of far greater importance are Dutch exports. Total exports of jams, marmalades and fruit compotes were 21,000 tons in 1974 as against only 16,500 tons in 1972. This in fact, compares with only 7,800 tons in 1967, exports thus having nearly trebled in seven years. Roughly three quarters of the above totals are actual jams and marmalades the balance being made up of various fruit compotes.

West Germany is by far the largest export market although significant quantities of jam are also exported to Belgium, a country not included in the official statistics. Other important export markets are the UK and France, the former receiving mostly fruit compotes.

5.5 Tariffs

See Appendix.

5.6 Local manufacturers

The main Dutch manufacturers of jam are de Betuwe and Hero who between them account for around half of the total market. Private label brands are also fairly prominent, notably the Alber Heijn and De Gryter brands. In total the private brands account for roughly 35 per cent to 40 per cent of the market. The balance of the market is taken by smaller companies, the most important of which are Jonker Fris, Bato and Zwaardemaker - the latter being Holland's only indigenous manufacturers of marmalade. The actual market breakdown is as follows:

	% share of market
De Betuwe	20 - 25
Hero	20 - 25
Jonker Fris, Bato, Zwaardemaker	10 - 20

There are no specialised wholesalers of jam in Holland, wholesale distribution being carried out by general food distributors. Wholesale margins are between 8 per cent and 12 per cent while retail margins are roughly 15 per cent of 22 per cent of selling prices.

The main Dutch manufacturers are as follows:

Kon. Mij. de Betuwe NU
Grote Brugsweg 50
Tiel
Tel: 03440 - 5234

De Betuwe, the Unilever subsidiary, is the joint leading producer of jams in Holland with around one quarter of the total market, as well as a significant share of the export market. The company was originally founded in 1885 and currently enploys 800-1,000 people. As well as jam, the company is involved in most other aspects of the food preservative industry.

The company's products are sold under the Rujno brand name as well as the de Betuwe brand, and are of high quality.

Current prices for the company's products

Product	Size (grams)	Price (D.FI.)
Apricots	450	1.69
Cherries	450	1.89
Strawberries	450	1.69

Hero Conserven NU
Titeringsedigh 227
Breda
Tel: 01600 - 79200

Hero is the other joint leader of the Dutch jam industry also with roughly one quarter of total sales. The company is 70 per cent owned by Hero, Switzerland and was founded in Holland in 1914. It currently employs between 1,000 and 1,500 people depending on the time of year. It's activites also include other aspects of the preserved food industry.

The main brand name is Hero and again the company's products are of high quality

Current prices for the company's products

Product	Size (grams)	Price (D.FI.)
Strawberries	450	1.98
Apricots	450	1.98
Cherries	450	1.98

As the above two companies are mainly in the high quality jam market we have included examples of prices of some of the lower quality producers.

Examples of current prices of lower quality jams

Brand	Product	Size (grams)	Price (D.FI.)
Albert Heijn			
	Medium quality		
	strawberries	450	1.20
	currant	450	1.45
	apricots	450	1.35
	blackcurrant	450	1.76
	orange	450	1.55
	raspberries/currant	450	1.45
	pineapple	450	1.45
	ginger	450	1.68
	High quality		
	apricots	450	1.45
	strawberries	450	1.45
	cherries	450	1.45
	blackcurrant	450	2.25

Examples of current prices of lower quality jams (contd.)

Brand	Product	Size (grams)	Price (D.FI.)
Jonker Fris	apricots	450	1.49
	strawberries	325	1.49
	cherries	325	1.49
	apricots	325	1.49
Garlena	cherries	450	1.19
	pineapple	450	1.19
	strawberry	450	1.19
	apricots and apple	450	1.20
	orange	450	1.19
	raspberries	450	1.19
	cherries	450	1.10

5.7 Importers

Imports are relatively insignificant in the Dutch market and there are no sepcialist jam importers in Holland.

5.8 Advertising and promotion

Hero and de Betuwe are the only companies advertising in the mass media and use TV and radio mainly with women's weeklies as support.

Promotions are fairly common in the Dutch market and these usually take the form of price reductions. Again, Hero and de Betuwe are the main ones in this field offering price-off deals at least twice a year.

5.9 Diabetic jams

There are between 400,000 and 600,000 diabetics in Holland (3 - 5 per cent of the population). However, the market for diabetic jam is estimated at only 2 - 3 per cent of the total market. The main variety of diabetic jam is strawberry and these products are sold in chemists as well as grocery shops.

The leading manufacturers of jams for diabetics are:

Bato Levensmiddelenfabrieken B.V.
Krayenhofflaan 10
Nijemegen

Recters Fabrieken
Postbus 3
Veenendaal

Zwaardemaker en Co. N.V.
Postbus 2
Maarssen

Geurts Conservenfabrieken B.V.
Dodewaard

Bayer Nederland B.V.
Postbus 80
Mijdrecht

N.V. Hero Conserven
Postbus 243
Breda

5.10 Potential for Vitaminka products

6. West Germany

6.1 Size of market

The West German market for jam is large with total sales in recent years in excess of 100,000 tons, and a market value of over DM 300 million.

Most of West German demand is met by domestic production. In 1973 this totalled 112,000 tons and has increased by roughly 15 per cent since 1970. We do not, at present, have any precise breakdown of this production, but we do know that over 80 per cent of it was of one fruit, pure jams. Around 6 per cent of production was of mixed fruit jam, just over 1 per cent was marmalade and the balance was plum jam and various fruit jellies.

6.2 Consumption

We estimate that total jam consumption in 1973 was just over 130,000 tons, roughly 18 per cent of which was imported. Per capita consumption in that year was therefore 2.00 kg. There is no precise breakdown of consumption available but the most popular types of jam are plum, cherry, strawberry and red and black currant. Amongst the lower quality varieties and raspberry, gooseberry, bilberry, orange, marmalade and apricot amongst the higher quality varieties.

Consumption patterns

The following tables give a socio-economic breakdown of jam consumption in West Germany.

Socio-economic breakdown of West German jam consumption

(regularity of jam consumption)

	Often %	Sometimes %	Never %
Size of town			
Under 2,000	53	23	24
2,000-20,000	38	37	24
20,000-100,000	52	32	16
100,000-500,000	58	25	17
Over 500,000	55	34	11
Income			
Under 600 DM	45	32	23
600-800 DM	57	32	11
800-1,000 DM	49	34	17
1,000-1,500 DM	50	31	19
1,500-2,000 DM	52	33	15
More than 2,000	51	29	20
Employment			
Manager	53	28	18
Business / Self employed	46	34	19
Civil Servant	53	30	17
Worker	51	32	17
Family	32	40	28

The consumption of jam appears to be highest in smaller and larger towns rather than medium sized ones. Income does not appear to be a determinent of consumption with the most regular consumers being in the 600-800 DM range. In employment terms, the most regular users are managers and civil servants followed closely by skilled and unskilled workers.

6.3 Imports

West German imports of jams and marmalades have shown very little growth in recent years increasing from 20,275 tons in 1972 to 23,248 tons in 1973, before falling back to 21,128 tons in 1974. The bulk of these imports are of jams with added sugar which accounted for over 70 per cent of the 1974 total. These come mainly from Holland with France and Belgium the other two largest suppliers. Marmalade imports totalled 1,692 tons in 1974 with South Africa and Ireland the main suppliers.

6.4 Exports

Exports of jam from West Germany have also experienced little growth since 1972, rising from 3,585 tons in that year to 3,795 tons in 1974. Three quarters of these exports are with added sugar and went mainly to Holland and Belgium. Other exports totalled 937 tons, mostly unsweetened jams to Holland Belgium and Denmark.

6.5 Tariffs

See Appendix.

6.6 Local manufacturers

We do not, at present, have any information on the market shares of the main German manufacturers. However, the following is a list of the leading manufacturers:

Company	Brand
Schwartauer Werke Bad Schwartau	Schwartau Extra Hofgut Hornoldendorf
Hormann & Loh GmbH, Altwarmbuchen	Solo
Franz Zentis Aachen	Zentis Belfrutta
Heinrich Weseloh, Winsen/Luhe	Winsenia
Sieburg & Pfortner with Massermann & Cie., Schwetzingen	Sonnen Basserman
Arthur Schindler KG Lugde/Westf	Thuringia (35 g packs "Hotel-type")

Current prices for German jams, on average, are as follows:

Standard quality	450 gr.	DM 1.68
Better quality	450 gr.	DM 2.58
First quality	450 gr.	DM 3.95 - 8.00

6.7 Importers

The following companies are involved in the importation of jam into West Germany:

James Robertson & Sons, Paisley
Hero, Lenzbourg, Switzerland
L. Gottlieb, 7800 Freiburg, Hans Bunt Strasse 16

6.8 Advertising and promotion

There is no significant advertising of jam in West Germany

6.9 Diabetic jam

The main manufacturers of diabetic jam are:

Drugofa, GmbH, Koln-Mulheim (Sionon)
Schneekoppe - Reform GmbH, Hamburg

6.10 Potential for Vitaminka products

7. Austria

7.1 Size of market

We estimate that the total market for jam in Austria in 1974 was just under 16,000 tons. This represented an increase of roughly 10 per cent on 1972.

Most of Austrian demand is met by home production, which totalled 15,438 tons in 1974. Production has grown steadily although slowly since 1972 when it was only 14,000 tons. This represents an increase of slightly more than 10 per cent. We do not, at present, have any production breakdown by type of jam.

7.2 Consumption

Total apparent consumption of jam in Austria has increased by 10 per cent since 1972 from 14,377 tons to 15,913 tons. Most of this increased demand has been met by domestic production although imports have risen in line with the overall rise in the market. Average per capita consumption of jam was 2.1 kg. in 1974.

We do not, at present, have any information on consumption patterns.

7.3 Imports

Total Austrian imports of jams and related products have risen from 619 tons in 1972 to 1,112 tons in 1974. Included in these totals are Austrian imports of fruit puree and compotes and actual jam and marmalade imports are up from 360 tons to 644 tons over the same period. Roughly half of Austrian jam imports are from East European countries, the most important of which is Hungary. The UK supplied 85 tons of jams and marmalades in 1974. Plum puree imports are also of importance and 467 tons were imported in 1974 of which 418 tons were supplied by Rumania.

7.4 Exports

Austrian jam exports are quite negligible and totalled 169 tons in 1974. This, however, compares with only 81 tons in 1972. The main export market for jams is Italy which took around two thirds of the 1974 total. There are, in addition, small exports of fruit purees and pastes which amounted to 51 tons in 1974, well below the 94 tons exported in 1972.

7.5 Tariffs

See Appendix.

7.6 Local manufacturers

There are a large number of Austrian jam manufacturers. We do not, at present, have any details on the market shares of these companies nor any details of their product ranges. The following is a list of the main companies:

Pomona Obstverwertung
Zernatto & Co
8181 St. Rupprecht bei Villach

Bruder Unterweger Obstverwertung
9911 Thal-Abling

Felix Austria
7210 Mattersburg
Postfach 109

Breganzia Konservenfabrik
Dr.B. und H. Sagmeister
6911 Lochau/Bregenz

Inzersdorfer Nahrungsmittelwerke
1230 Wien
Draschestrabe 107-109

Jusius Meinhl Ag
1160 Wien
Julius Meinl - Gasse 3-7

Scana - Amico Konservenfabrik
1030 Wien
Klunngasse 17

7.7 Advertising and promotion

We have no information at present on advertising and promotional activity in Austria.

7.8 Diabetic jam

There are 300,000 diabetics in Austria. Most of the jam for this market is imported mainly from West Germany. However, the following is a list of Austrian manufacturers of diabetic jams.

Mullers Muhle
A-1130 Wien
Koptrabe 7 (Schneekoppe)

Lihn, Bertretung in Salaburg
Lorenz u.Lihn in D-53 Bonn-BadGodesberg

Carlisan-Werke
8011 Graz
Kemstockgasse 13a

Vollkraft (Dipl. Ing. Ungerbock)
1150 Wien
Tannengasse 1

Candyport (Frankonia
1070 Wien
Kirchengasse 43

Heller
1100 Wien
Davidgasse 1

Vitamark (Hagen)
1080 Wien
Pfeilgasse 8

Ring (Neuhauser u. Obermayr)
Postf. 135
4020 Linz

Drugofa (Koln)
Vertr Drogenhansa
1020 Wien
Grobe Mohrengasse 19

3 Pauli
Vertr. Drogenhansa
1020 Wien
Grobe Mohrengasse 19

7.9 Potential for Vitaminka products

8. Sweden

8.1 Size of market

The Swedish market for jams is extremely large, relative to the population and we estimate total demand in 1973 to have been over 38,000 tons. However, the market has been fairly static in recent years.

The bulk of Swedish consumption is provided by domestic production and this totalled 36,682 tons in 1973. This represented a small increase over the 35,172 tons produced in 1970 and showed a firm recovery from the 32,070 tons produced in 1972. The actual breakdown of production in 1973 was as follows:

Breakdown of Swedish jam production (1973)

	tons	%
Citrus (marmalade)	7,082	19
Apple	4,751	13
Berries and others	24,849	68
Total	36,682	100

Roughly 19 per cent of production in 1973 was of jams made from citrus fruit and 13 per cent from apples. The remaining 68 per cent was of other fruits, the most important of which was berries of various types.

8.2 Consumption

Swedish consumption of jams has varied somewhat in recent years but was more or less at the same level in 1973 as in 1970. The 1973 consumption level was 38,668 tons. In per capita terms this represents 4.7 kgs per person.

The breakdown of consumption by type of jam in 1973 was as follows:

Swedish consumption of jam by type (1973)

	tons	%
Citrus (marmalade)	7,905	20
Apple	4,627	12
Berries and others	26,136	68
Total	38,668	100

The breakdown of consumption is very similar to that for production with 68 per cent of consumption being berries and others. The most important types of berry jam sold in Sweden are loganberries, strawberries and raspberries.

We do not at present have not information on consumption patterns.

8.3 Imports

Swedish imports of jam have been a little volatile in recent years and over the period 1970 - 1973 they have declined by 10 per cent from 3,300 tons to 2,989 tons. By far the most important type of imported jam is jam made from berries which accounted for just over half of total imports in 1973. These imports came mainly from Poland, Denmark and the UK. Marmalade imports were next in importance at around one third of the total followed by imports of other jams and jams made from apples. The UK was by far the main supplier of imported marmalade.

8.5 Tariffs, quotas and regulations

See Appendix.

8.6 Local manufacturers

The main Swedish manufacturers of jams are as follows:

Foodia (Winner), 245,00 Staffanstorp
Findus (Nestle), Fach, 267,00 Bjuv
Onos, 290,10 Tollarp
Novia, (Bjäre), Osterportsgatas, 211,28 Malmo
Cadbury/Slotts, (Gunillarmarmelad), Uppsala

We do not at present have any information regarding market shares etc on any of these companies.

8.7 Importers

There are several imported jams available on the Swedish market. The most important of which are: Krakus (Poland), Heistad (Norway), and Scotts. The main imported types of jam are blueberry, blackberry and blackcurrent.

8.8 Advertising and promotion

Total advertising expenditure on Swedish jams was 980,000 S.Kr. in that year. Promotions normally take the form of reduced price offers and are considered more or less compulsory by the distributors.

8.9 Diabetic jams

There is a good variety of jams without added sugar available on the Swedish market. The main brands are:

Onos, Scott's, Sionon and Heistad

The most popular varieties of diabetic jam are orange marmalade, apricot marmalade, strawberry and raspberry.

Most large supermarkets and cooperatives sell these products as well as special health and diet shops.

8.10 Potential for Vitaminka products

9. Switzerland

9.1 Size of market

We do not at present have any statistical information on the Swiss market for jam.

9.2 Consumption

The main varieties of jam consumed on the Swiss market are strawberry, raspberry, bilberry, blackberry, redcurrant, damson, cherry and various mixed fruit jams.

9.3 Imports

Swiss imports of jam have more than doubled since 1972 from 371 tons to 751 tons. Hungary has recently developed as the main supplier of imported jams with the UK the second largest suppliers.

9.4 Exports

Swiss exports of jam have been fairly steady over the last three years at between 2,400 and 2,600 tons. Exports in 1974 were at the lower end of this range. The number of countries supplied is considerable but thi main export markets are Belgium, Germany and the UK.

9.5 Tariffs

See Appendix.

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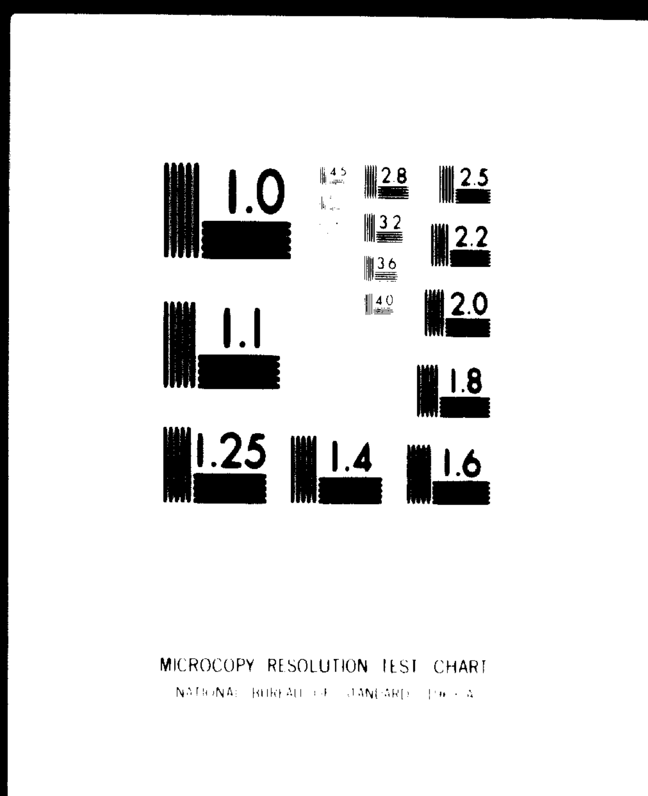

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9.6 Local manufacturers

There are four main manufacturers of jam in Switzerland: Migros, Coop, Hero and Roco. Of these Migros is the market leader with around 30 per cent of the total market.

Migros Genossenschaft - Brussels
Limunatplatz
8005 Zurich

Migros is the market leader and accounts for roughly 30 per cent of the total market. Its production takes place at its factories of Estavages and Bischofszell. The company's products are considered to be of medium to good quality and sell under the Migros, Bischofszell and Festavarges brand names. Distribution is exclusively through the Migros retail chain and it's position in the large cities is particularly strong.

Current prices for Migros products

Product	Size (grams)	Price (S.F.)	Packaging
Orange	1,000	3.30	can
Bitter orange	1,000	3.20	
Strawberry	1,000	4.40	
Strawberry/rhabarber	1,000	3.10	
Apricot	1,000	3.30	
Sherry	1,000	4.80	
Redcurrants	1,000	3.50	
Four fruits	1,000	3.00	
Blackberry	1,000	4.20	
Bilberry	1,000	4.00	
Apricot	50	0.30	alubox
Sweet orange	50	0.30	
All other types same prices			

Coop Schueiz
4002 Barel
Thiersteinakee 14
Tel: 061 35 50 50

The Swiss Coop is the second largest retail chain in Switzerland, after Migros. The Coop produces it's own jam supplies which sell under the Midi brand name. The products are considered to be of medium to good quality.

Current prices for Coop products

Product	Size (grams)	Price (S.F.)	Packaging
Orange	450	1.65	can
Redcurrant	450	2.05	
Blackberry	450	2.60	
Strawberry/rharbarbar	450	1.85	
Sherry black	450	2,60	
Sherry red	450	2.95	

Hero Conserven Lensburg AG
5600 Lensburg AG
Tel: 064 50 11 51

Hero is one of the top four jam manufacturers in Switzerland. The products of this company are considered to be of high quality but are more expensive than many of the other manufacturers products. The main brand names are Hero and Delicious (Low calorie).

Current prices for Hero products

Product	Size (grams)	Price (S.F.)	Packaging
Blackberry	320	1.40/2.05	
Redcurrant	320	1.70	
Strawberry	320	2.05	
Apricot	320	1.60	
Strawberry	450	2.70	can
Strawberry	450	2.80	
Orange	50	0.30	alubox
Strawberry	50	0.30	
Bilberry	50	0.30	
Apricot etc	50	0.30	

Roco Conserven AG
9400 Rorshac
Tel: 071 40 11 11

Roco is also among the top four Swiss manufacturers of jam. The products of this company are also of high quality and sell under the Roco brand name.

Current prices for Roco products

Product	Size (grams)	Price (S.F.)	Packaging
Bilberry/redcurrant	450	2.50	can
Blackberry	450	3.05	
Apricot	450	2.25	
Bilberry	450	2.50	

9.7 Importers

The main Swiss importers of jam are:

Dennes AG
8045 Zurich, Grubenstr. 12

Carma AG
Neugutstr 58
8600 Dubendorf

Conservenfabrik AG St. Gallen
Industriestr. 15
9015 St. Gallen

Conservenfabrik Ag Sargans
7320 Sargans

Ditzler AG
Voltastr 80
4000 Basel

Hans Giger AG
Gutenbergstr. 3
3000 Bern

Hilcona AG
Schaan

Morga AG
Ebnat-Kappel

Risi AG
4104 Oberwil/BL

Veron & Cie AG
Murtenstr. 143
3001 Bern

9.8 <u>Promotions and advertising</u>

We do not, at present, have any information on this.

9.9 <u>Diabetic jam</u>

There are roughly 240,000 diabetics in Switzerland. The main manufacturers of diabetic jam are Migros and Hero (see above) and

Fishclin AG, CH - 6415 Arth

9.10 <u>Potential for Vitaminka products</u>

10. <u>Summary</u>

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