

U.S. NORTHEAST STRENGTHENING TRADE TIES

World Trade Centre Toronto and the City of Toronto led a trade mission to New York City and Baltimore to promote the region's vibrant Food & Beverage sector in the key Northeast U.S. market

BY JIM NICHOLSON, The Board's World Trade Centre Toronto Communications Manager

Canada and the U.S. form the largest trading relationship in the world, with more than \$360 billion in bilateral goods traded in 2017; the U.S. represents more than 75% of Canada's total exports worldwide. Despite recent uncertainty around North American trade policy, the newly negotiated United States-Mexico-Canada Agreement (USMCA) and long-standing commercial ties offer strong investment and expansion opportunities for SMEs to gain entry and grow their market share in the U.S. The northeast region stands out in particular as one of the most dynamic and prosperous areas of the country, and a hub for international trade with the advantage of close proximity to our own region.

In September 2018, WTC-T and the City of Toronto led 15 delegates representing 11 Toronto region Food & Beverage companies in the organic and healthy products

segment to New York City and Baltimore for a five-day trade mission. The goal: connect businesses to market opportunities in the northeast region through site visits to key distribution channels and curated B2B meetings with retailers, distributors and other market intermediaries, helping delegates establish vital business relationships to support their U.S. market objectives.

SECTOR-FOCUSED TRADE EDUCATION & SITE VISITS

Following a welcome dinner on Broadway in the heart of Manhattan, the first day of the mission focused on educational presentations from in-market subject matter experts. Companies including First Press, Clark Wolf Company, Essential Food Safety Consulting, Delori Foods and Fairway Market shared best practices and lessons learned from years of successfully navigating the highly competitive Food & Beverage sector in the U.S. Northeast. Day two consisted of a site visit and facility tour of Ace Natural's regional distribution centre, as well as a lunch presentation from the immigration consultancy experts at Fragomen Worldwide.

David Norton, Senior Vice President and Senior Commercial Direct Manager of Mid-Corporate Banking, HSBC Bank USA, welcomes delegates to the HSBC offices in New York City for Day 1 educational presentations



WHERE:

New York City & Baltimore

WHEN:

September 10-14, 2018

WHY:

- Connect Toronto region businesses with in-market experts and intermediaries to help refine and adapt their market entry and expansion strategies
- Visit companies on the ground to facilitate a stronger understanding and access to U.S. procurement and retail distribution channels
- Curate 50+ B2B meetings with U.S. retailers and distributors
- Attend Natural Product Expo East, the U.S. east coast's largest natural product trade show

WHO:

Leigh Smout, Executive Director,
World Trade Centre Toronto

Michael Wolfson, Senior Advisor,
Food & Beverage Sector, City of
Toronto

15 Toronto region Food & Beverage
sector delegates representing:

Adrem Brands,
Coco Farms,
Eco Guardian,
Fire in the Kitchen,
Flow Alkaline Spring Water,
Global Appetite,
Golden Ontario Products,
Partake Brewing,
Station Cold Brew Coffee,
Stork and Dove and
Sweet Maple Candies.

DELEGATE EXPERIENCE



PATRICK MARSHALL,
President of Adrem Brands

ADREM BRANDS

Patrick Marshall, President of Adrem Brands, explains the value of establishing in-market connections.

FOUNDED IN 1951, ADREM BRANDS DEVELOPS

and distributes natural health products such as their flagship "Wake-Ups" caffeine tablets, sold in every major grocery and pharmacy chain in Canada. They recently developed a new line of organic functional foods which launched in Fall 2018, including a Wake-Ups organic & fair-trade caffeinated chocolate supplement intended for the U.S. market.

As a May 2017 TAP graduate, the U.S. Northeast trade mission was a logical next step for Adrem Brands. "The Board has been phenomenal at keeping us engaged in the various initiatives to promote business in the city and exporting," said Patrick Marshall, President, Adrem Brands. "We were invited to join the mission, and we're very grateful for it."

The mission was a valuable experience for Marshall, particularly the educational component with in-market experts and fellow delegates. "Lining up that cross-section of vendors was really important. Meeting with a law firm that can help you with HR, or FDA food supplement experts, is helpful—you come away from the mission having made that connection, so you can reach out directly," said Marshall. "Meeting some of the other entrepreneurs on the mission was also key—having them as a cohort, they're similar-sized businesses encountering the same challenges. That learning was an equally important part of the mission for us."

Marshall is eager to apply the lessons learned on the mission to Adrem Brands' expansion strategy. "The key takeaway for us was to be very specific in the territories that you want to enter. Build some key distribution chains, and then expand into other regions. If we can focus on the northeast, then we can expand outwards from that territory, south and then west. The mission was very helpful in terms of confirming the soundness of our plan."

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MAKING INDUSTRY CONNECTIONS

Days three and four included a presentation from broker Alliance Sales & Marketing and further B2B meetings, along with attendance at Natural Products Expo East (NPEE) in Baltimore. The largest natural product trade show on the U.S. east coast, NPEE hosts more than 1,900 exhibitors and 28,000 attendees. The show offered an invaluable opportunity for delegates to make connections with buyers, distributors and retailers engaged in their specific product categories.

"Connecting Toronto region businesses to global growth opportunities is our mission at WTC-T, and industry events like Natural Products Expo East are one important way we can foster those connections," said Leigh Smout, Executive Director of World Trade Centre Toronto. "We were excited to showcase the strength of our Food & Beverage delegation in the northeastern U.S. market and help our companies take the next step on their export journey."



ANIL ABROL,
President & CEO,
Eco Guardian



“WE HAD REALLY SOLID CONVERSATIONS AND ENGAGED WITH DIFFERENT COMPANIES, SOME OF WHOM WE’RE WORKING WITH NOW.”

ECO GUARDIAN

Anil Abrol, President & CEO of Eco Guardian, shares insights from his trade mission experience.

LEADING THE WAY IN GREEN PACKAGING, Eco Guardian innovates, designs, and manufactures tree-free and 100% compostable single-use containers for the food and consumer goods sectors. Ranked by Canadian Business magazine as one of the fastest growing companies in Canada in 2016 and 2017, Eco Guardian has long considered a push into the considerably larger U.S. market as a key step in their business expansion.

“We participated in TAP in July 2016 and developed some important relationships,” explained Anil Abrol, President & CEO, Eco Guardian. “The federal Trade Commissioner Service was one of those, and they reached out and recommended this trade mission to us. The timing of the mission couldn’t have been better.”

Abrol acknowledged the reputational value of visiting global markets as part of a delegation. “When you go on a trade mission, you’re already vetted by the organizers; it’s validation in the eyes of potential partners and customers. Joining a cohort of similar companies gives you additional credibility with distributors and retailers.”

The mission experience was a positive one for Abrol, particularly the organization of the program and B2B meetings. “We had really solid conversations and engaged with different companies, some of whom we’re working with now.”

Post-mission, Eco Guardian are thinking differently about their growth plans; they’re looking to hire a marketing manager and considering additional global markets in Western Europe including Ireland, the UK and France.



Anil Abrol, President and CEO of Eco Guardian with Honourable François-Philippe Champagne, Minister of International Trade, Catherine McKenna, Minister of Environment and Climate Change Canada and other delegates from Canada



TED FLEMING,
Founder & CEO,
Partake Brewing

PARTAKE BREWING

Partake Brewing Founder & CEO Ted Fleming reflects on the opportunities and challenges of exporting to the U.S.

PARTAKE BREWING MAKES CRAFT NON-ALCOHOLIC BEER that’s “alcohol-free and beer lover approved,” using a proprietary brewing method with all-natural ingredients. First released in September 2017, their products have already won numerous awards including two medals at the U.S. Open Brewing Championships and a gold medal for best non-alcoholic beer at the World Beer Awards in London, UK.

For Partake Brewing’s Founder and CEO Ted Fleming, the trade mission offered a valuable opportunity to visit the company’s primary target market. “It was my first trade mission and I thought it was valuable for me to attend—it provided valuable insight and perspectives on our next steps in business development,” said Fleming. His key takeaway: getting a feel for the sheer size and scale of the U.S. market, reinforcing the scope of the opportunity.

“We’re very interested in exploring potential e-commerce channels as a way of mitigating some of the challenges of distribution in such a huge market,” said Fleming. Over the long term, Partake is also exploring possible interest in exports to the UK and Japan.

One of Fleming’s most memorable elements of the mission was the extensive opportunity for networking. “I liked spending time with the other entrepreneurs. Being able to talk to small business owners at various stages of development is a terrific learning experience,” he said. “As an early-stage entrepreneur you do a lot of things in isolation, so it’s nice to be able to build out your network and make connections that carry through to future events.”

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Partake Brewing IPA