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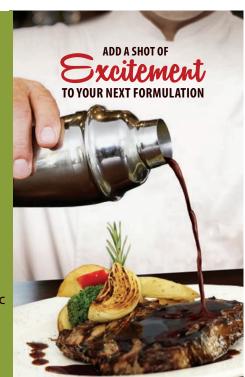
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# Sugar overload

During Chinese New Year, gifts of fruit, specifically oranges, apples and cherries, are considered auspicious and appropriate. The market in China for imported fruit is particularly strong at this time of year, when fruit consumption also peaks. Luxury gift boxes of premium-quality cherries imported from New Zealand and Australia are even branded to avoid counterfeiting, and can sell for up to \$100 per box.

Contrast this to any North American gift-giving occasion. You may find fruit, but it's often enrobed in rich chocolate, or transformed into candy version. And just consider the amount of marketing from confectionery companies before the top three times of the year for giving sugary treats: Easter, Halloween and Valentine's Day.

In North America we are a sugarobsessed culture. When we want to indulge with food and beverages we typically include some kind of sweet reward. It's not surprising, considering that sugar has been proven to stimulate the brain's reward and pleasure centres by elevating dopamine levels.

At the same time, the effect of refined sugar (particularly fructose) in our diets has been well documented — it contributes to obesity, diabetes, heart disease, and tooth decay. In 2015 the World Health Organization lowered its sugar consumption recommendations, stating that adults and children should "reduce their daily intake of free sugars to less than 10 per cent of their total energy intake. A further reduction to below five per cent or roughly 25 g (six

teaspoons) per day would provide additional health benefits."

While overconsumption is of course a big part of the problem, processed food and drinks laden with hidden sugars are often the culprits. While some jurisdictions have opted for "sugar taxes" on products like soft drinks, with the aim of lowering consumption, the results have been mixed. In Canada, changes to on-package nutrition labelling will help consumers identify hidden sugar (and other ingredients) in processed products, meaning they will hopefully be better equipped to track their consumption. It's a step in the right direction in terms of getting us to rethink our relationship with refined sugar.

But the changes won't make a lasting impact on consumer behaviour until the food and beverage industry commits to being part of the solution. As more consumers begin to understand just how much diet affects our holistic health, they will increasingly demand more accountability from the industry. Reduce the refined sugar in your products. Use higher-quality natural sweeteners, creative new flavours, and premium, nutritious ingredients. Then boast about it to your customers. Challenge your competitors to try to meet your standards. It may be more expensive in the short term, but your customers will thank you for it with their good health and their repeat purchases.

CCooper@foodincanada.com



## QUADRA INGREDIENTS

# CONTINENTAL INGREDIENTS



Quadra Ingredients is pleased to announce its recent acquisition of Continental Ingredients, a leading provider of value-added ingredients and ingredient blends.

Quadra and CIC share a passion and customer focus in the food industry with a Specialized, Effective, Trusted reputation. With similar business models and philosophies, both parties are thrilled to see the two committed organizations come together. We look forward to the expanded product offering and give CIC a warm welcome into the Quadra family.



#### A wine education at sea

Know any luxury cruise lovers who are also passionate about wine? If so, here's some news that may excite them. Luxury travel brand Cunard has partnered with the Wine & Spirit Education Trust (WSET), the world's largest provider of wine and spirits qualifications, to launch the first ever WSET-certified wine and spirit courses to be available on its flagship ocean liner Queen Mary 2. The partnership with Cunard is the first time WSET courses will be available to guests on a transatlantic or round-the-world cruise line.



# News>file



#### **Health Canada making food** labelling amendments

Jane Philpott, Canada's Minister of Health, announced amendments in December to the country's Food and Drug Regulations to make the Nutrition Facts table and list of ingredients on packaged foods easier for Canadians to use and understand.

This is considered by the government to be the next step in Health Canada's "Healthy Eating Strategy," which was announced earlier in the fall with the launch of the revision of Canada's Food Guide. The overall strategy aims to make healthy food choices the easy choice for all Canadians, laying out how Health Canada will deliver on the government's commitments to reduce sodium in processed foods, eliminate industrially produced trans-fat, provide consumers with more information about sugars and food colours, and introduce restrictions on the commercial marketing of unhealthy foods and beverages to children.

Included in the labelling amendments are changes to the regulation of serving sizes to make comparing similar food products easier. Packages will include a simple rule of thumb — five per cent is a little, 15 per cent is a lot — which has been added to the Nutrition Facts Table to help Canadians use the per cent daily value (% DV) to better understand the nutritional composition of a single product or to better compare two food products.

More information on sugars will also be made available, including a per cent daily value for total sugars in the Nutrition Facts table, and the grouping together of sugar-based ingredients under the name "sugars" in the list of ingredients.

"We have updated nutrition facts tables on pre-packaged foods in a way that is based on science and that will meet the needs of Canadians feeding their families," says Philpott. "We are also consulting on innovative ways to present nutrition information on food labels, such as front-of-pack labelling, to help Canadians make healthy choices on sugars, sodium and saturated fat."

Additionally, all food colours will be declared by their common name rather than the generic term "colour" and the list of ingredients and allergen information will be easier to read. In addition, a new health claim will be allowed on fruits and vegetables, informing Canadians about their health benefits.

According to Health Canada, the food industry has until 2021 to make these changes.



Scared Wheatless: Delicious Gluten-Free Recipes that Won't Make You Lose Your Mind by Mary Jo Eustace is a funny cookbook on a serious subject — eating and health. Eustace, who has been in the Canadian culinary world for more than 20 years, has been a TV host, a chef, and author of multiple cookbooks.

Because she has a daughter with alopecia (an autoimmune disease that causes hair loss), Eustace began researching gluten-free food in an effort to see if such a diet could help with the condition. In the process, she came up with a variety of delicious gluten-free recipes, which she shares in this book, including Mushroom Arugula Frittata, The Best Fake Risotto You Will Ever Taste. Annie's Organic Apricot and Quinoa Salad, Brown Rice Pie Crust, and Polenta Bruschetta. In addition to sharing recipes in Scared Wheatless, Eustace also writes candidly about her

high-profile divorce from actor Dean McDermott, her family's health, and how she tricks her son into eating healthy food.



#### Winnipeg baked goods processor continues growth

In May 2015, Piccola Cucina was included in Food in Canada's Top 10 food and beverage companies to watch. As the Winnipeg-based specialty food processor continues to grow, Piccola Cucina has shown that our faith in the company was not misplaced.

Piccola Cucina ("Little Kitchen" in English) was founded in 2009 by mother and daughter Anita and Pina Romolo shortly after both were laid off from long-time positions in the business world. After five years of product development, the duo hit the market in 2014. The Romolos initially began making biscotti but switched to amaretti, a traditional Italian macaroon with an almond base. They currently produce



the macaroons in six flavours, all of which are gluten-free and made without any dairy ingredients, grain, soy, corn or yeast. The company has also recently added almond-flavoured sweetened and unsweetened pie shells to its product offerings.

Piccola Cucina received a big boost last year when the business was one of 12 selected healthcare and food processor startups — out of 70 applicants from

across Canada — to be included in an accelerator/mentorship program run out of Calgary by entrepreneur Arlene Dickinson of Dragon's Den fame. "We applied and told Arlene our story," says Pina Romolo. "She liked what we are doing."

The six-month program, which ended last November, put Pina and Anita in touch with a network of mentors in different areas of business. At the end of six months they presented their ideas to a group of 200 retailers, distributors and potential investors. "The experience was very helpful," Romolo says. "It helped in validating our business. It also helped us land a major distributor in British Columbia who is getting us into markets in the next couple of months in Vancouver, the Island and Alberta."



#### **NEWS FILE**

Another major marketing milestone for the small company has been the acquisition of kosher certification ahead of a push to get into American markets. "There is a huge Jewish population in New York and, because our product is simply made, kosher certification was relatively easy."

In 2017 Piccola Cucina is looking to expand into California — where it sources most of its almonds — as well as Texas. "We are working with the Canadian Trade Commissioner's office and are looking forward to participating in a trade show in San Antonio," says Romolo. In Eastern Canada, Piccola Cucina has acquired space in a large warehouse in Baden, Ont., to store product for retail customers in the province.

In new product development, Romolo says "we have just started packaging almond flour. You can do great things with almond flour." She notes that the company is also experimenting with hemp. "We are taking some of our Italian recipes and applying them to hemp. We would be combining our Italian heritage with a Manitoba-grown product. We hope to be able to bring our hemp-infused products to market later this year."

— Myron Love



#### New apple on the block

Toronto residents were among the first in Canada given the opportunity to preview Pazazz, a new winter apple variety descended from the popular Honeycrisp. Demonstrations were held at various Toronto retailers throughout January as a way to showcase Pazazz's unique sweet tart flavour and Honeycrisp-like crunch. Grown by family-run or-

chards up and down the Mississippi River Valley as well as in Washington, New York and Nova Scotia, Pazazz has been in development for nine years, and is expected to be unveiled nationally in 2018.

#### **Exporting to Costa Rica**

To many Canadians, Costa Rica is a sought-after travel destination, an item at the top of a bucket list, or perhaps a place that's listed on the side of a bag of coffee beans. To the food processing industry however, Costa Rica is so much more.

Canada opened a free trade agreement in 2002 with this Central American paradise, and since then business has been steadily gaining ground in a number of areas. "In 2015, Canada's agri-food trade with Costa Rica totalled \$353 million, with Canadian exports to Costa Rica of \$75 million and imports of \$278 million," says Patrick Girard, a spokesperson for Agriculture and Agri-food Canada.

Some of the main agri-food exports heading out of Canada and landing in Costa Rica include non-durum wheat,



frozen french fries, durum wheat, thickeners derived from vegetable products, and frozen hams. These products accounted for more than 80 per cent of Canada's agri-food exports to Costa Rica.

Imports from the country are what one would expect from a nation that basks in 30°C temperatures year-round: "pineapples, bananas, cane sugar, unroasted coffee, and frozen fruit," says Girard.

One of the factors for this growth was the very inclusive and lucrative trade agreement that was signed between the two countries almost 15 years ago. "The agreement granted Canadian exporters duty-free treatment for 94 per cent of its agriculture and agri-food products. Canadian agri-food exports have benefited the most from this agreement, an increase of more than 10 times compared to the levels of 2002," says Girard. "Canadian exports of cereals, preserved food, mucilage, french fries, pork meat, pulses, grains, oilseeds and chocolates have increased significantly with the benefits of this agreement."

For food industry businesses in Canada looking to export to Costa Rica,

#### **OTIS SPUNKMEYER TURNS 40**

Otis Spunkmeyer, a leader in the sweets industry since opening its first cookie shop in 1977 in California, is celebrating its 40th anniversary this year.

The team at Otis Spunkmever first perfected their Chocolate Chunk Cookie decades ago, and

shortly after that began to roll out a line that included crème cakes, cinnamon crumb cakes, cupcakes, muffins and more. While the brand was initially created as a cookie store, it quickly transitioned to a foodservice line, serving hospitals, school cafeterias, hotels, office vending machines and even airlines.

In 2016, the company created a new retail line of individually wrapped treats for the whole family to enjoy. The conveniently packaged "No Funky Stuff" retail line of sweet treats is available in the snack aisle at grocery stores throughout Ontario.

there are a number of areas to capitalize on. Says Girard: "Additional opportunities for Canadian firms interested in exports to Costa Rica include, but are not limited to, food preparations, wheat, bread and bakery soybeans, beans, jams, fruit jellies, marmalades, vegetable oil, pasta, beef, fruits, pet food, sausages, and gluten-free products."

— Jonathan Hiltz

#### New strategy to put B.C. foods on the global menu

A new international market development strategy is aiming to bring more of B.C.'s agri-food and seafood products to the world.

With an eye on building upon the record \$3.5 billion worth of B.C. products exported in 2015, the strategy focuses on providing programs and services that support three key areas: market knowledge, generating investment, and building networks that collectively support success for B.C. companies in the marketplace.



"Our government is proud to support this strategy that encourages export growth and the diversification of markets for B.C. agri-food and seafood products. The strategy will help increase the competitiveness of B.C. companies in the international marketplace and contribute to strengthening the Canadian economy and the middle class," says Lawrence MacAulay, minister of Agriculture and Agri-Food Canada (AAFC).

According to AAFC, the new strategy

emphasizes that by accessing customized market profiles, cost-competitive analysis and advisory services, as well as attending market readiness seminars and workshops, B.C. companies can be better informed

and prepared to succeed in attracting new customers in new markets.

"The British Columbia government has been working with B.C.'s agrifoods sector to build the market for B.C.





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#### **NEWS FILE**

products abroad, and we've seen results, setting records reaching \$3.5 billion in 2015. This strategy will help connect B.C. products with foreign buyers, and with our other efforts at trade shows, trade missions, and trade offices, will continue to bring more dollars and opportunities to B.C. farmers, producers and value-added businesses," says Norm Letnick, B.C.'s Agriculture minister.

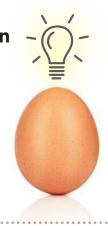
The strategy also highlights the value of government investment in programs that fund the development of new products, practices or technology, helps B.C. companies prepare for and participate in targeted international marketing, and supports an internationally recognized food safety and traceability system.

#### SIAL Canada 2017 showcases EU

SIAL Canada will take place in Toronto this year from May 2 to May 4, 2017. And at this year's show, SIAL Canada is welcoming the European Union as the "region of honour."

#### Eggs can be good for your brain

A recent study from the University of Eastern Finland has found that a relatively high intake of dietary cholesterol (eating one egg every day, for example) isn't associated with higher risks of dementia or Alzheimer's disease. This finding is significant because high cholesterol levels have been linked in past studies to an increased risk of memory disorders. And even better news for egg lovers: the researchers found that the consumption of eggs was actually associated with better results in certain tests measuring cognitive performance.





With the EU-Canada Comprehensive Economic Trade Agreement (CETA) expected to come into force in 2017, tremendous possibilities may soon be opening up for Canada's food

industry. Showcasing the EU as the region of honour is, according to SIAL Canada, also about opening up the Canadian market to all industry players — especially local and international exhibitors.

Phil Hogan, member of the European Commission responsible for Agriculture

and Rural Development, will be in attendance at SIAL Canada to mark the occasion.

#### Italian-Canadian food & beverage excellence

The Italian Chamber of Commerce of Ontario (ICCO) and title sponsor Unico Primo hosted the annual ICCO Unico Primo Pentola d'Oro Awards and Gala on Nov. 18, 2016 at The Carlu in Toronto. More than 350 guests including prominent business, political and cultural leaders from the Greater Toronto Area — were in attendance.









#### **CAVENDISH FARMS BUILDING NEW POTATO** PLANT IN ALBERTA

Dieppe, N.B.-based Cavendish Farms is constructing a brand new frozen potato processing plant in Lethbridge, Alta. The

new \$350-million facility will replace its current aging plant.

"Cavendish Farms is pleased to be expanding our business in Lethbridge and we are proud of the relationship we have built with the city and the people who make up this community," says Robert K. Irving, president of Cavendish Farms. "The opportunity to expand in Lethbridge, and remain within the region, is very important to us. Lethbridge has provided Cavendish Farms with a cross-Canada presence that has helped fuel our growth and allowed us to reach key markets."

Construction is expected to begin in spring 2017 and be completed by summer 2019. The new plant will allow Cavendish Farms to more than double its annual production capacity to meet growing demand, and is expected to be more efficient, reducing the company's carbon footprint.



"ICCO continues to confirm its role as an incubator of entrepreneurship, creativity, innovation, and social commitment in Canada and in Italy," says Corrado Paina, ICCO's executive director. "The Pentola d'Oro Gala is a symbol of the continuing growth of the food and beverage industry within the Italian Canadian community."

#### **NSF CANADIAN FOOD SAFETY FORUM** & AWARD RECOGNITION EVENT

The 2017 NSF Canadian Food Safety Forum & Award Recognition Event

will take place the morning of Feb. 23, 2017 at the Pearson Convention Centre in Brampton, Ont. This year's event will feature presentations from representatives of organizations as the Canadian Food Inspection Agency and Google, as well as an award presentation honouring outstanding individuals and companies within the Canadian food and beverage industry. The awards will recognize winners in several categories, including excellence, leadership, and companies that support the industry in achieving their food safety goals. For more information, or to register, visit www.nsflearn.com/node/193

The 2016 ICCO Unico Primo Pentola d'Oro Award winners were:

- City of Vaughan Italy-Canada Award — Domenic Primucci, president, Pizza Nova.
  - The Jan K Overweel Ltd. Pentola

d'Oro Award — Carmine Fortino, executive vice-president and Ontario division head, Metro Ontario Inc.

 Pizza Nova Favourite Hotspot Award — Rob Gentile, chef, Buca Osteria & Enoteca.



#### Pork research cluster gets additional funding



Canada's federal government has announced that it's providing an additional \$1.8 million to the pork research cluster to continue responding to consumer concerns around the humane treatment of animals.

This additional amount brings the total Government of Canada investment to \$14.8 million, and will help to build upon research work already underway as part of the five-year (2013 to 2018) research cluster. According to the government, new research is expected to address the issue of sow housing and improved living conditions for both sows and piglets.

Swine Innovation Porc, which manages the research cluster, works with industry, government and academia to facilitate research, technology transfer and commercialization initiatives designed to enhance the profitability of the Canadian pork value chain.

"Enhancing the competitiveness and the sustainability of the Canadian pork industry is Swine Innovation Porc's primary goal and focus. In addition to responding to concerns about animal welfare, the Swine Cluster 2 research program also addresses animal health and reducing feed costs. This additional investment in research will further the outcomes of this program and ensure that emerging issues facing the pork

sector will continue to be addressed," savs Stewart Cressman, chair, Swine Innovation Porc.

#### **B.C. food bank installing** "vertical garden"

A Cloverdale, B.C. food bank is going to start growing its own food this year, thanks to two new indoor growing walls. The walls will be capable of producing up to 600 lbs of fresh produce per year.

Hosted by the Zion Lutheran Church, this food bank typically serves approximately 80 families and up to 300 people. Produce is expensive, however, particularly in the winter, and people often prefer to donate canned goods rather than fresh produce. The new growing wall will now allow the food bank to offer a full array of salad greens, including lettuce, Swiss chard, mustard greens, kale and collards.

The "vertical garden" will be installed by Langley, B.C.-based Living Garden



Foods, an organization that specializes in this type of growing. According to a CBC report, the organization hopes similar vertical gardens will be implemented across the country in various communities struggling with food security.

The soil-less system uses a hydroponic technique to supply plants with a formulated nutrient solution added directly to the water, a process that uses much less water and doesn't require weeding. Water and nutrients get pumped from the bottom gutter to the top of the towers, then flow down to be absorbed by the plant roots, while the excess is drained back into the bottom gutter for reuse.

The installation of the "farm wall" will cost just over \$5,000. A grant from the Vancity Shared Success program is helping to bring this project to fruition.

#### E-NOSE WILL SNIFF OUT PLANT DISEASE

An electronic "bloodhound" that can sniff out plant disease will soon be available to the agricultural industry. Called an E-Nose, the equipment was developed to detect crop pathogens by smell, even weeks before any infection is visibly apparent.

Kit Franklin, a lecturer of agricultural engineering at Harper Adams University, was quoted as calling it "an amazing tool for early detection" in an article published in

the Courier (UK). According to the Courier, Franklin unveiled the new technology during a discussion on the latest sensors, robotics and automation at the Scotland Rural College and the Agricultural and Horticulture Development Board's joint Agronomy 2017 (Scotland) forum early last month.

Franklin says the E-Noses may even be able to give arable farmers as much as a two-week head start when it comes to controlling a wide variety of plant diseases (including fungi, oomycetes, bacteria, viruses and nematodes), and added that early trials have shown the technology to be able to detect particularly destructive fungus-like organisms, including potato blight, which is considered one of the more devastating agricultural crop diseases.

#### **INBRIEF**

> The Kashruth Council of Canada, better known as "COR," and Niagara College Canada's Canadian Food & Wine Institute (CFWI) Innovation Centre have collaborated on a project to integrate kosher certification



requirements into both SQF and BRC food safety programs. This work is now being released to the food manufacturing community.



> As part of **Nestlé**'s overall commitment to improving animal welfare throughout its supply chain, Nestlé Canada has announced that it will move to using only cage-free eggs in all of its Canadian food products by 2025.

> Pizza Pizza has committed to ensuring all chicken products that are a part of its menu are raised without the use of antibiotics.

> EarthFresh Farms has acquired the assets of Grand Bend Produce, a Southwestern Ontario-based fresh potato business.

> The Saskatchewan government has made changes to the province's

**Premises Identification** (PID) program, a traceability tool to plan for, control and prevent the spread of animal diseases, and to respond to other emergencies. In the coming months, Saskatchewan Ministry of



Agriculture livestock programs will begin requiring applicants to have a PID number to participate. These new requirements are expected to help Saskatchewan producers protect the health of their livestock, as well as their farm businesses.

> B.C.-based Premium **Brands Holdings Corporation** has acquired a 100-per-cent interest in Toronto-based Diana's Seafood. Diana's, which has annual sales of



approximately \$18 million, is a supplier of a variety of fresh and frozen seafood products to retail and foodservice customers in the Greater Toronto Area. Founded by Diana and Nino Cicirello in 1998, they have since grown the Diana's Seafood name into an iconic brand in the GTA.

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#### **SUPPLIER** NEWS

> SGS Canada Inc. and The Canadian Food & Wine Institute at Niagara College have announced a partnership to offer a risk-focused, tool kit-based approach to train in the "how to" of food safety management. The Food Safety Program Optimization (FSPO) is designed to target risk reduction and provide the tools for students to demonstrate true risk-based diligence.



will acquire DuPont's global food safety diagnostics business.

- > New Jersey-based supply chain service provider NFI has acquired Canada's Dominion Warehousing & Distribution.
- > Watson-Marlow Fluid Technology Group (WMFTG) has opened a new Canadian sales and support hub, Watson-Marlow Canada Inc. in Concord, Ont. The location was established to deliver Canadian customers full local sales support for customer service, engineering and supply of all WMFTG products.



> The federal government has announced a \$1.1-million investment in Mazza Innovation, which will allow the company to expand its plant extract production facility in Delta, B.C.

(L-R) Benjamin Lightburn, Mazza Innovation president; Carla Qualtrough, minister of Sport and Persons with Disabilities; Sean Hodgins, Mazza CFO.

- > As of Jan. 1, 2017, Canadian Contract Cleaning Specialists Inc. (CCCSI) is now conducting business under the name Packers Sanitation Services Inc. (PSSI).
- > Tank Holding Corp., North America's largest rotational moulder, which includes major polyethylene tank manufacturers Norwesco and Snyder Industries, has acquired Agri Plastics' Material Handling Division.
- > MilliporeSigma has acquired BioControl Systems Inc., a global leader in food safety testing.
- > Schenck Process has appointed Rate Technology Systems as its exclusive representative in Eastern Canada.
- > Tom Kittle, president of Handtmann Canada Limited and Handtmann Inc., has announced that effective Jan. 1, 2017, sales, parts and service for INOTEC Technology in the U.S., Canada, Puerto Rico and Jamaica are available exclusively through Handtmann.

> As part of their "Full Belly! Full Mind!" initiative that supports nutrition and breakfast programs across Canada, DuPont Pioneer and **DuPont Crop Protection** have donated over \$100,000 to more than 50 breakfast and nutrition programs in 2016.







- > Cargill is expanding its line of emulsifiers with the addition of deoiled canola lecithin. Cargill now offers customers three plant-sourced lecithin options — soy, sunflower and canola — in the U.S. and Canada.
- > New technology that can detect and destroy biofilms on surfaces in food processing plants, called **BioDetect** and **BioDestroy**, has been selected as the 2016 Award Winner for Productivity and Technology Advancement by CTAQ, the food processing council in Quebec.

#### CANADA CUTS TARIFFS TO GIVE FOOD MANUFACTURING A BOOST

The Canadian government has eliminated a long list of tariffs on imported food ingredients in an effort to boost Canada's food manufacturing industry.

A customs tariff order published Dec. 28 in the Canada Gazette described how approximately 200 different tariffs on imported food ingredients were going to be repealed or amended. Based on recent import levels, according to the order, an estimated \$48 million in tariffs are collected annually on these products. The cuts took effect Jan. 16.

While some food ingredients already entered Canada tariff-free under the North American Free Trade Agreement (NAFTA), Finance Canada estimates that about 57 per cent of these imports were subject to tariffs. The duties averaged about five per cent.

A lengthy list of fruits, vegetables, cereals, grains, spices, fats, oils, food preparations and chocolate products (but nothing from the dairy, egg and poultry sectors, which are covered by Canada's supply management system) now classify as duty-free.

#### **PEOPLE** ON THE MOVE



- > Salt of the Earth, Ltd. has appointed David Hart as business unit director.
- > Sethness Products Company has made changes to three

key executive positions within the company. Tom **Schufreider** has been promoted to president; Brian Sethness has been promoted to executive vice-president - Sales & Marketing; and Henry **Sethness** will be assuming the role of chairman of the Executive Committee.

- > Aaron Dobbin has been appointed president and CEO of the Winery & Grower Alliance of Ontario (WGAO).
- > Nova Scotia's Clearwater Seafoods has appointed **Don Holdsworth** as vice-president, Global Marketing.



> Aaron Pleitner has joined Food Safety Net Services (FSNS) as research scientist. Ruth Woiwode has also been appointed manager of Livestock Audit Services at FSNS, and Robert Brodnick has joined the company as Chief Science Officer.



> The Canadian Agri-Food Policy Institute (CAPI) announced in December that David McInnes is stepping down after eight years as president and CEO. To ensure a smooth succession process. McInnes will continue to lead the Institute through March 2017.



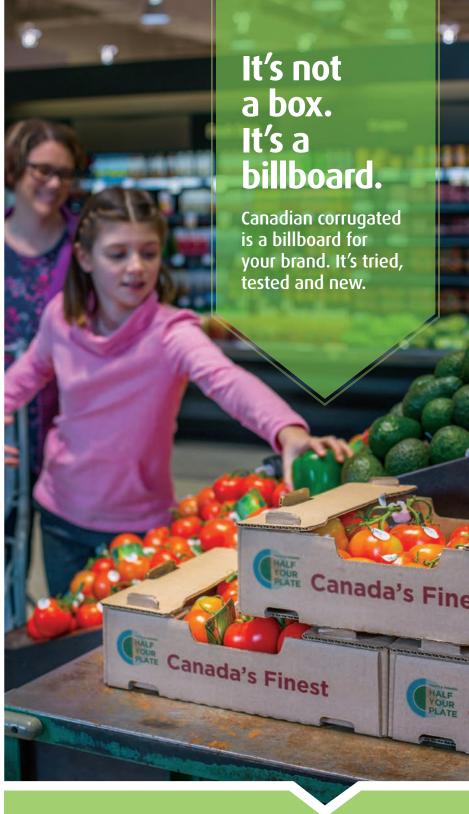
> PepsiCo Foods Canada (PFC) has appointed Cara Keating as its new vice-president — Customer Development.



> MULTIVAC, Inc. is welcoming Michael Johnson as a regional sales manager in the Western Region.

> Allen Kirkpatrick is now executive director of the Canadian Corrugated and Containerboard Association (CCCA).

> Stefan König is the new president of Bosch Packaging Technology.





Canadian Corrugated and Containerboard Association

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#### COMMENTARY: Uncertainty in 2017

At the time of writing this column, it was clear that January was going to be an interesting start to a future full of uncertainty. My futures courses always occur in January and they always arrive with interesting commodity price forces. This year will be no exception. A number of market analysts believe that the worst news is already priced into the grain markets and things can only go up from here. That's quite possible. Weather could turn ugly during the final growing period and harvest in Brazil and Argentina. The cold weather in the U.S. and Ukrainian wheat belts could have a negative impact on production, and we've seen the effect of India's drought on sugar prices already. What if more regions and crops are affected?

One market analyst, however, points out a set of circumstances that could take grain and oilseeds, especially soybeans, down substantially. The major reason that soy prices were as high as \$10.40 in mid-December is the pace of exports, especially to China. That, plus Argentine weather, caused the rally. But there has been a suspicion

that some of the reason for the accelerated pace was China's fear that Trump might somehow disrupt markets — for example, some of the exports were "just in case" not the usual "just in time."

U.S. exports of soy, wheat and corn are all well ahead of last year's pace. Any slow-down, along with any increase in the size of South American crops and a continued strong U.S. dollar, could take the markets below their current levels. The analyst in question suggests the \$6 range for soybeans. And of course, we have the uncertainty of what Trump will actually do vs. the unfortunate certainty that Canadian policies aren't about to change rapidly. That could affect the loonie as well as access to the U.S. market.

So, there's the typical two-handed economist: it might go up or down! The important question is what you are going to do if prices fall below the support planes or rise above the resistance planes identified below?

Market Trends is prepared by Dr. Larry Martin, who offers a course on managing risk with futures and options in Guelph, Ont, through agrifoodtraining.com. Contact him at DLM@explornet.com or (519) 841-1698.

#### **MARKET HIGHLIGHTS**

- > Grains: Grain markets are a balancing act between North America's huge crop, rising stocks, and a large South American crop, offset by strong export demand. Markets are jittery because of two weeks of disappointing export demand and continued forecasts of large crops in Brazil and Argentina.
- > Corn: March futures channeled between \$3.25 support and \$3.68 resistance from early October into January. Two things to watch to take it out of the channel are South America's crop and export demand. Higher than expected production and/or lower exports will challenge support and vice versa. We would protect against resistance and buy dips toward support.
- > Wheat: After making a late November low \$3.93. March Chicago wheat tested it late December, then rallied on fears of cold weather crop damage in the U.S. and Ukraine. It's currently at \$4.15 with strong \$4.50 resistance. January weather scares remind us there is no correlation between January weather and July vields. Protect against \$4.50 and buy below \$4. The volume of wheat in the market and its

lack of quality is shown by the \$1.30 spread between Chicago and Minneapolis.

- > Soy oil: March soy oil made one more rally to \$0.386, the 62-per-cent long-term retracement, before dropping back to \$0.335 currently. This market is looking for a price that accommodates a slight shortage of palm oil and growing stocks of soy. Support remains at \$0.325 and \$0.305. We would look to price in those areas or protect against resistance at \$0.386.
- > Sugar: March sugar has been a roller coaster as fund selling took it through major support to \$0.178 before drought in India resulted in a 50-per-cent retracement to the \$0.21 area. If you bought the dip, we would sell now and buy again on an adjustment to \$0.18.
- > Natural gas: Another roller coaster, natural gas rallied from \$2.90 to \$3.83 before dropping back to the current \$3.24, seeming to reverse with each change in weather forecast. We like resistance at \$3.35 as the place to protect.
- > Crude oil: Crude finally exceeded \$55 in mid-December with most countries cutting back production. Iran got an exception for the first six months since it faced Western

- sanctions for so long. It took advantage by building inventories in its tanker fleet and is selling them off to build new markets. It is apparent that cuts are occurring which, with consumption growth in most countries, portends tightened supplies as the year unfolds. In addition, Ontario is faced with yet another energy tax grab with the new provincial cap and trade policy. We suggested protecting against \$55+ oil and here we are. Hold your positions.
- > Canadian dollar: The loonie is in a crossfire between rising oil prices and expected pressures from the Trump administration, as outlined in the last column. After maintaining its value when the U.S. Fed raised rates (because that worst-kept secret was already priced in), the loonie fell to a recent low of \$0.7361 as the reality of Trump's election sank in. More recently it rose to \$0.756 following oil up. This month will see both realities unfold: the pace of actual OPEC cuts and the extent of Trump's changes. Each will pull the loonie in different directions. We want commodity buyers to protect the downside. Hold the \$0.755 June Puts recommended some time ago and/or buy \$0.735s.





# LIVING UP TO OUR NAME

At Trophy Foods, we have a name to live up to. For over 50 years, we have proudly served the Canadian snacking and confectionary industry with a passionate pursuit of ultimate knowledge, innovation, product quality and food safety. We were recently rewarded as leaders by both BRC and OFPA for our efforts. And naturally, the pursuit continues. For the next 50 years we continue to build a legacy second to none, for it is our name that defines us.

- BRC certified since 2010
- 2016 first ever BRC grade AA+ in the Americas
- 2016 1<sup>st</sup> ever (worldwide) winner BRC Manufacturer of the year
- 2015 Ontario Food Protection Association (OFPA) Sanitarian/Food Safety Professional of the Year. First manufacturer to be awarded this honour.
- 2017 Celebrating 50 years
- Leading Private label supplier with full range of certifications: organic, kosher, gluten free, non GMO





# An accountant's role in food safety

Bv Ron Wasik

oday's food safety mantra, whether it be for a generic HACCP plan or any of the growing number of GFSI programs, is that everyone in a food enterprise is part of the food safety team and that everyone has a role to play to ensure that the food produced is safe and wholesome. I've not known or heard of anyone pushing back against this all-inclusive approach, but accountants are frequently overlooked as key players. There are a number of ways accountants can contribute to the company's food safety program. First let's look at how a firm's money is typically managed.

#### Managing the money

The traditional business hierarchy looks like this. The finance department is responsible for strategic planning, budgeting, information systems, internal controls and, of course, preparing and reporting corporate financial statements. The accounting department is responsible for executing the parts of the strategic plan it can influence, including budget implementation, policies and procedures, cost and sales analysis, internal controls, wages and benefits, as well as accounts receivable and payable.

Other departments within the firm will have a budget, which may include supplies, equipment and wages. Each department is held accountable to work within its budget. The vast majority of companies rarely dissect how individual departments spend the money in its budget as long as it lives within its budget and nobody complains. However, this is where the opportunities exist for accountants to add value to the firm's

food safety programs because they know what is going on throughout the firm.

#### **Potential opportunities**

At the heart of all the opportunities available to accountants to participate in and to enhance food safety is the trove of financial and other data collected by all departments in the course of day-to-day business. This data is much more readily available today than a decade ago, when firms relied on paper forms, but even if

Company accountants are an untapped resource.

a business is still using paper forms, one can, with a lot more effort, mine the information. Here are some examples of what to monitor.

Let's start with waste because most firms have some measure of it. Waste is not just what goes into the trash can at the end of the day. It also includes rework, seconds, returned product and, frankly, anything that adds cost. The connection between waste and food safety may not always be clear but, in the end, waste adds cost and reduces funds that could be used to sustain and/ or improve food safety either directly or indirectly.

Another way accountants can make a huge and ongoing contribution to food safety programs is to gather and analyze employee activity data. One example is monitoring how much time employees spend on specific activities and how this changes over time. Doing so will reveal

potentially worrisome trends such as increased delays in starting up. Further analysis of the cause(s) might indicate pre-operational inspections are taking longer due to inadequate cleaning, wrong ingredients on the line or a variety of other reasons. In my experience, delays in starting up are often due to issues related to food safety.

An activity-time trend analysis also has the potential to reveal trends in time spent carrying out tasks more directly connected to food safety. For example, sanitation overtime, placing products on and off hold due to food safety concerns, remedial sampling and resampling, overtime due to more frequent food safety meetings, and last but not least, product recalls/withdrawals. Trend analysis is not only a great tool to improve one's awareness of a potential problem, but also to confirm that you have circumstances that need to be addressed.

Food processing firms are data-rich, yet often fail to marshal all the resources in the company to mine this data for valuable insights into managing waste and improving food safety. Company accountants are an untapped resource. They speak the language of money, which seems to be heard more clearly by management than the technical dialect spoken by QA/QC. Harness this overlooked talent within your company and make this the next step on the journey of continuous improvement in food safety.

Dr. R.J. (Ron) Wasik PhD, MBA, CFS, is president of RJW Consulting Canada Ltd. Contact him at rwasik@rjwconsultingcanada.com

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# Impending food advertising changes

Heath Canada reviews marketing to children

Colleen McMullin

radical shift in the way food is permitted to be marketed to children is currently in the works in Canada. In a news release published on Oct. 24, 2016, Minister of Health Jane Philpott announced that Health Canada intends to use "every tool at its disposal - legislation, regulation, guidance and education" to achieve its multi-year Healthy Eating Strategy, which includes commitments related to marketing to children.

This change is by no means without warning. In Prime Minister Justin Trudeau's mandate letter to Minister Philpott, he specifically identified that a top priority was to introduce new restrictions on the commercial marketing of unhealthy food and beverages to children, similar to those now in place in Ouebec.

What this means to consumers and industry is still unclear. The publication of the news release also marked the launch of Health Canada's consultations with Canadians, which closed on Dec. 8, 2016. These consultations were aimed at getting input and feedback from the public and stakeholders on a proposed approach before new restrictions are implemented.

The marketing of food to children is so ubiquitous that you would be hard-pressed to find anyone — from a baby boomer to a millennial — who is unable to recall a jingle, cartoon character, or promotional toy-with-purchase associated with their favourite childhood treat. But what may be nostalgia for some has translated into big business for others.

Health Canada indicates six out of 10 adults are overweight and one-third of youth are overweight or obese. Indeed, the annual economic burden of obesity in Canada is estimated in the billions of dollars. Clearly, Health Canada aims to nip these bad eating habits in the bud, by restricting marketers' access to younger audiences, potentially preventing them from developing the poor eating habits of their parents' generation.

Although the exact nature of the proposed amendments is still unclear, we know that Quebec was cited as being a guiding example of what is envisioned for these federal changes. Currently in Quebec, commercial advertising of products or services to children under the age of 13 is prohibited by the provincial Consumer Protection Act. The specific rules applicable to children's advertising in Quebec are complex, but there are certain prescribed forms of advertising to children that are permitted, such as store windows, displays, containers, wrappings, or labels, provided certain rules are followed.

Muddying the waters further is Private Member's Bill S-228, "An Act to amend the Food and Drugs Act (prohibiting food and beverage marketing directed at children)," tabled by Senator Nancy Greene Raine in September. This proposed bill goes even further than the Quebec legislation and includes prohibitions on labelling and packaging. Additionally, this proposed legislation would prevent the promotion of food by means of a testimonial or an endorsement in a manner that is directed primarily at



children, and the depiction of a person, character or animal, whether real or fictional, would be considered to be such a testimonial or an endorsement. Moreover, no person would be allowed to provide, in exchange for the purchase of a food, any direct or indirect consideration that is intended primarily for children under these proposed laws. Health Canada has indicated that it is reviewing Bill S-228 to determine how it lines up with the government's approach to this issue.

Where exactly the new legislation will land is still up in the air. We expect more information to become available regarding these regulatory changes once Health Canada completes its compilation of the comments received during the consultation period. In the meantime, we would recommend holding onto all kids' meals toys from future fast-food chain visits, as those may one day be relics of the past.

Colleen McMullin is an associate at Gowling WLG. Contact her at colleen.mcmullin@gowlingwlg.com, or (403) 298-1921. Ron Doering returns next month.



Food labelling in 2017 and beyond

Redefining food labelling compliance rolls

Garv Gnirss



In late 2016 Health Canada also began consultation on front-of-packaging nutrition labelling, among other initiatives. In addition to this, the Canadian Food Inspection Agency (CFIA) is looking at finally publishing proposed Safe Food for Canadians Regulations in Canada Gazette Part I sometime in 2017, and has begun consultation on Phase III of its food labelling modernization initiatives.

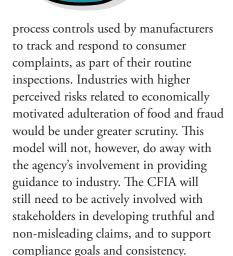
The CFIA is also considering a new model in managing food labelling compliance. Manufacturers under current federal legislation such as the Food and Drugs Act (FDA) and the Safe Food for Canadians Act (once it comes into force) are ultimately responsible for ensuring that food labels are compliant with requirements and are not false or misleading. To that end, claims such as those related to nutrient content, health and organics are outlined in the regulations. The CFIA has, over the decades, been relied on to formulate guidelines on claims that are not specifically outlined in the regulations but which are subject to interpretations thereunder as to whether they may misrepresent a food. These

include guidelines on "natural," negative claims like "no preservatives," and methods of production claims such as "raised without the use of antibiotics or hormones." Despite the guidance provided by the CFIA, manufacturers are ultimately responsible for ensuring labels are not false or misleading. This has always been and will continue to be the case.

As part of the Phase III discussions, the CFIA is proposing a new labelling enforcement model based on the risks related to food safety, health and fraud. That model would place the agency at somewhat of a distance from complaints related to certain types of low-risk consumer value claims such as "natural," "free range" and "local." Instead, consumers would take greater responsibility in expressing concerns regarding label claims directly to manufacturers. Under the proposed model, the agency would only become involved where matters are escalated.

This new model places greater emphasis on industry to demonstrate due diligence. Part of the modern flavour of this model includes a greater focus on ensuring claims are properly substantiated and documented, and that relevant supporting information is accessible to consumers (online, or via technology such as SmartLabel or QR codes). Industry would be relied on to keep records of complaints and any actions taken, creating a food labelling program akin to preventative control plans related to food safety.

The CFIA would review the documented consumer complaints and the



The enforcement model as being discussed fits into the CFIA's overall risk management inspection system. While placing greater emphasis on industry to ensure claims are adequately substantiated is generally positive, the danger of having the CFIA on the periphery of consumer value claims is that it may lose touch and awareness of what is going on. As the gatekeeper of food labelling integrity, its overall credibility could suffer. Despite the ambition to redefine food labelling roles, the responsibility of the CFIA is to bring balance to the views of all stakeholders. That cannot be done if its chair at the table is empty.

Gary Gnirss is a partner and president of Legal Suites Inc., specializing in regulatory software and services. Contact him at president@legalsuites.com

# CHIPS GONE Willa

The chip category is anything but plain, as brands cater to consumers' desire for adventurous flavours and natural ingredients

#### BY REBECCA HARRIS

n the summer of 2015, Peter and Chris Neal were in the heart of barbecue country — Texas — talking about a distinctly Canadian dry-rub: Montreal steak spice. The co-founders of Toronto-based Neal Brothers Foods were meeting with executives at Whole Foods' head office in Austin, arranging an exclusive deal that would see Neal Brothers' kettle-style, non-GMO chips sold in more than 300 Whole Foods in the United States.

"We asked if there was [a flavour] they were looking for and one of the guys said, 'I would love Montreal steak spice," recalls Peter Neal. "I said, 'Really? Is that a thing?'" So I called friends and family in the U.S., put something on Facebook and got an overwhelming response from people saying, 'Yeah, we've got Montreal steak spice in our cabinet."







Fast-forward to September 2016 when Montreal Steak Spice did indeed become a thing, joining Neal Brothers' lineup of unique chip flavours, including Maple Bacon; Srirachup, a mix of ketchup and sriracha; Sweet & Smoky BBQ; Pink Himalayan Salt; and Vij's Delhi-Licious, made with a garam masala spice blend.

"We try to create flavours that are just a little bit different, or reflect more of a Canadiana taste and flavour profile," says Neal. "Consumers are being more adventurous with flavours, and I don't know if people would have reached for a garam masala chip a few years ago." Likely not. But today, the chip category is bursting with tasty innovation. While classic flavours will always have their place, chipmakers are catering to consumers' appetite for bold and adventurous seasonings, as well as their desire for better-for-you options.

Laura Merritt, senior director of Marketing for Kettle Brand, says there's growing preference for chip flavours that incorporate unique ingredients from around the world. "Consumers are more interested in ethnic flavours and cuisines than ever before," she says. "Millennials especially are interested in stepping outside their comfort zone, and a majority of this group describes themselves as 'adventurous eaters,' which drives our creativity when it comes to new flavours."

Kettle Brand, which is owned by salty snack maker Snyder's-Lance, launched several new flavours over the past year, including Moscow Mule and Korean Barbeque. "[The flavours] were inspired by our favourite foodie hotspots near our home in Portland, Oregon," says Merritt. Korean Barbeque has a smoky-sweet hoisin and garlic taste, while Moscow Mule has hints of lime juice with a ginger punch, just like the popular cocktail.

In May, Kettle Brand released another cocktail-inspired chip — the Classic Caesar, with tastes of tomato, brine and spices. The limited-time product was released in Canada in celebration of National Caesar Day, and the brand plans to bring it back this summer. "For good reason, the classic Caesar has continued to be a favourite cocktail in Canada, and we felt it was a fun opportunity to take the complexity of flavours in the drink and translate them to our chips," says Merritt.

Kettle Brand also launched a new line of chips cooked in 100-per-cent avocado oil, available in three flavours: Himalayan Salt, Chili Lime







**Consumers** are more interested in ethnic flavours and cuisines than ever before.



and Hawaiian Barbeque. Merritt says the chips incorporate vibrant global flavours, such as hot chili and citrus-infused salt, which pair nicely with the mild taste of avocado oil. The brand also offers options to consumers looking for better-for-you snacks.

Indeed, while exciting flavours are hitting the right notes with consumers, better-for-you options are also in high demand. Emily Harris-Greene, vice-president of Marketing at Way Better Snacks, says millennials in particular "have high expectations for what their food will deliver, making sure that it's simple, minimally processed and better for you, and also that it's really exciting and fun to eat."

#### THE CHIP MARKET

According to Mintel's most recent data on chips, the category saw low to moderate sales growth from 2011 to 2014, with \$1.5 billion in sales in 2014 compared to \$1.3 billion in 2011.

Potato chips lead the salty snack category, with 87 per cent of Canadians buying chips in the three months leading to November 2014.

Twenty-seven per cent of consumers purchased tortilla chips two or three times a month, with another 40 per cent doing so once a month or less.

Tortilla chips attract a younger audience, with 17 per cent of 18- to 24-year-olds buying them weekly compared to four per cent of those over 34.

Thirty-five per cent of consumers bought fruit/vegetable chips in the three months leading to November 2014, with most doing so once a month or less.



Way Better Snacks' tortilla chips have sprouted grains, seeds and beans baked right into the chips. They're also 100-per-cent whole grain, gluten-free and non-GMO, and contain no artificial colours, flavours or preservatives. The line is available in nine varieties, including Simply Sweet Chili, Spicy Sriracha, Sweet Potato and Nacho Cheese, as well as seasonal varieties Pumpkin Cranberry and Ginger Snap. The newest addition, which launched in January, is Chipotle Barbeque on a purple sweet potato chip.

"For a long time, the tortilla chip category was pretty much just corn, salt and oil, and that is still a very big part of it," says Harris-Greene. "But there has been a huge proliferation around flavour and incorporating unique ingredients that you wouldn't have seen in a corn chip 10 years ago."

Another salty snack that's really sprouting is vegetable chips. Vancouverbased Naturally Homegrown Foods, which makes a line of non-GMO, all natural kettle-cooked potato chips under the Hardbite brand, expanded into vegetable chips two years ago. It currently makes three varieties of lightly salted root vegetable chips with attention-getting names: Eat Your Parsnips, 18 Carrot Gold, and Drop'N Mad Beets.

"We wanted something a little bit different for the snack food category," says Kirk Homenick, president of Naturally Homegrown Foods. "We've seen a lot of trends with [chefs] and foodies experimenting with new vegetables and looking for new applications. We thought we could incorporate that into a snack and make it in a way that would be exciting and have a unique flavour profile for the consumer as well."

Homenick says the term "innovate or die" is always bandied about in the business world, but it really applies to the snack food category. "You constantly have to give the consumer new options," he says. "They're going to respond well to your core staple options, but if you're not innovating and giving them new alternatives, the category itself will stagnate. It's such an impulse-driven category and innovation is so important."

That's especially true with today's focus on healthier foods. "No doctor or nutritionist would prescribe a daily diet of potato chips or tortilla chips, but it's like saying we shouldn't drink either," says Neal. "There's always going to be a percentage of the population that is going to drink [alcohol] or eat chips. And if we can make chips healthier, and offer interesting, novel food ingredients and flavour profiles, then I think we can stay relevant with consumers." 🍑



# **Seed** power

The "powerhouse seeds," including chia, flax, pumpkin, hemp and sesame, are nutritious and on-trend for 2017

Carol Neshevich

hey may be tiny, but they pack a big nutritional punch. Seeds specifically the ones often called "powerhouse seeds," such as chia, flax, pumpkin, hemp, sesame and sunflower seeds — are garnering a lot of attention in the food world these days, and that trend is expected to continue into 2017.

"They're an excellent source of healthy fats and plant-based proteins," explains Canadian dietitian and food consultant Jane Dummer, author of the book The Need for Seeds: How to Make Seeds an Everyday Food in Your Healthy Diet. "When I decided to write a book about seeds, it was because I was getting a lot of questions around what they are and how we can include them in our everyday diet. People were asking me, 'Is it too much fat, is it good fat, what type of fat is it?" The fat in seeds is indeed very healthy, she says, "but we are always looking at portion size too. So we don't recommend a cup [of seeds] a day, but more like one to two tablespoons a day."

#### The benefits of seeds

In addition to healthy fats and plantbased proteins, seeds are also high in fibre. "We know that people are interested in gut health, and keeping a positive ecosystem in their guts, so seeds offer both soluble and insoluble fibre," says Dummer. "That's especially true for chia...it has a lot of good research behind its fibre content for both digestive health and heart health."

Antioxidants are another benefit to some powerhouse seeds. "With pumpkin seeds, for instance, we are discovering that there are more antioxidants than





we knew," says Dummer. And hemp, according to Dummer, has an optimal ratio of omega-6 to omega-3, "so we're finding people who are very interested in fitness are using hemp to recover because after you do a major workout, your body can be inflamed, and they're finding that the hemp seeds or hemp protein powder in a smoothie is really helping with that."

#### How are people eating them?

"There's a variety of ways that you can 'plant seeds' in your meal plan," says Dummer. Aside from snacking on them on their own, they can be easily sprinkled onto cereal, salads, yogurt, or even added to a stir-fry. People are starting to add them to their baking as well, but as Dummer notes, "if you're going to bake with them, you need to keep in mind that they're added fat and you might have to adjust your baking recipe." Hemp, chia, flax and even sesame are now common additions to smoothies, of course, and most of the powerhouse seeds can easily be incorporated into a homemade granola.

As Dummer points out, North Americans are a bit late to the game when it comes to eating seeds. "Seeds and nuts have been consumed around the world for eons," she says. Tahini is a traditional sesame seed-based paste that's been eaten in various parts of the world for thousands of years, for instance, yet it's been touted as a "trendy" food item in countless North American articles and food blogs in the past year.

#### Commercial use growing

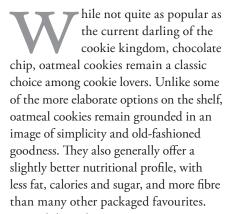
While commercial breads made with flaxseed have been available on grocery shelves for a number of years, we're now starting to see a wider variety of seeds being creatively incorporated into commercial breads. "We're definitely seeing a lot more hearty grain breads topped off with pumpkin seeds, and that sort of thing," says Dummer.

She also says she's seeing a lot more hemp flour and quinoa flour being used. "This is for a couple of reasons: it's nut free, so it works for people who have nut allergies, and it's gluten free, so if a bakery is developing a gluten-free option, the seed flours or the seeds themselves both really add a nice option, not only in texture if they're using the whole seed, but they also have a nice earthy taste."



# The simple pleasure of oatmeal cookies

**Bv Daniel Scholes** 



Until the early 1900s, oats were not a standard part of the North American diet. The use of oat grain as a food ingredient originated in the British Isles and had been a staple there for many centuries. As European immigrants made their way to North America, so too did the custom of using oat grain in porridge, puddings and oat cakes. From that point, the mainstream introduction of oats to the North American diet had a lot to do with the Quaker Oats Company, which made the wise decision of putting recipes for porridge and cookies on its boxes. These recipes circulated widely, and oatmeal cookies were soon a common household baked good. We took a closer look at a few brands to see how they stack up.

#### **Cookie cutting**

We recruited 50 females between the ages of 25 and 54 from the Greater Toronto Area who purchase and consume oatmeal cookies on a regular basis. They tasted four brands of packaged and plain oatmeal cookies, including two national brands and two private labels. Each participant received two samples of each cookie, and were asked a series of

detailed hedonic and "just about right" questions regarding the appearance, flavour and textural profiles of the cookie.

#### **Crunch time**

While there was no solid statistical winner, one brand stood apart as a clear directional winner on all key measures of product performance, including overall liking, purchase intent, and quality. Where this cookie truly stood apart from the others was its textural profile. Two of our samples were much too hard and crunchy; one was too soft with not enough "crunch"; while our winning profile sat agreeably in the middle — not too soft, not too hard, but just right. The crunchiest cookie in our sample also had the lowest scores for liking of the texture, and was described by many as dry. On the other hand, the softest cookie was described by many as artificial and stale.

The battle between hard and crunchy or soft and chewy cookies is a long-standing debate among hard-core cookie lovers. Crunchiness is a highly differentiable attribute for consumers and is often associated with food quality (fresh or stale, for instance) and can influence taste perception.

#### Plain & simple

In addition to textural quality, another important driver of liking, and the key downfall for one sample, was the oatmeal flavour, or the lack of it. The least-liked cookie among the four samples was very appealing in appearance, but had a serious lack of flavour. In fact, it was 50-per-cent weaker in oatmeal flavour than its closest contender. The most obvious problem with this, of course, is

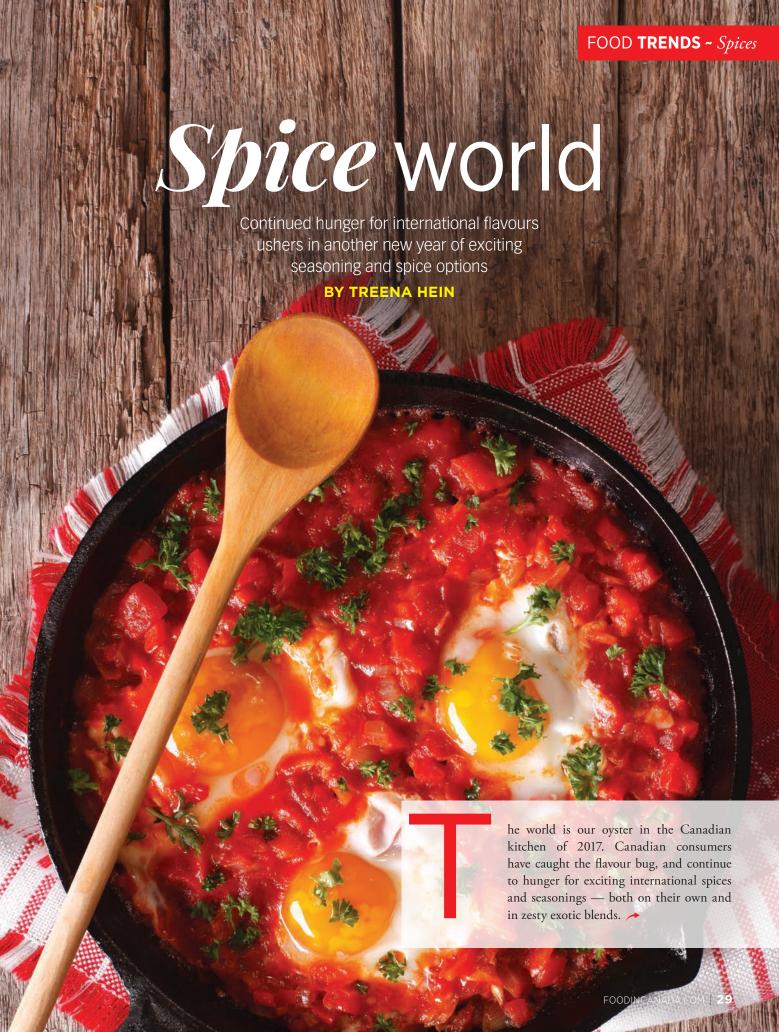


that a plain oatmeal cookie has a very simple flavour profile — there is really one critical factor and that's oatmeal. For a product based on very few ingredients, the predominant flavour must at the very least be perceptible. After all, an oatmeal cookie without oatmeal flavour is really just a sugar cookie.

#### Simply put

Among our participants, the features driving their purchase of oatmeal cookies were simply because "it's a taste they 'enjoy" and "the quality of ingredients." These ideas far outweighed other factors such as brand trust or value. Relative to other packaged cookie varieties, oatmeal cookies are often positioned as a mature and healthy proposition (as opposed to youthful and decadent). But with this simplicity comes a not-so-simple challenge for product developers. Sometimes it's easier to achieve expectations when you have added novelties such as icing, nuts or sprinkles. For a stripped down product like this one, consumer expectations remain equally high, but the tools for delivery are more limited. The brands we found that succeeded delivered the optimal degree of crunchiness and strength of oatmeal flavour...it's just that simple.

For questions about this research, or how you can leverage consumer taste buds in your business, contact Dan Scholes at info@contracttesting.com, or (905) 456-0783.







#### **Global tastes**

Let's start with the McCormick Flavour Forecast for 2017, a sizzling report awaited each year by the food industry in Canada and beyond since 2000. For 2017, McCormick forecasts that more consumers will try ethnic dishes with big, global flavours for breakfast, such as meat or tender chickpeas covered in mouthwatering Skhug sauce, a hot Middle-Eastern blend of chilies, cumin, cardamom, coriander, garlic, parsley, cilantro, olive oil and lemon juice. McCormick also predicts more grilling with planchas (cast iron slabs) in 2017, using spices like Espelette pepper. Espelette has a distinctive smoky-sweet, mildly hot flavour and originates from the Basque region of France. More cooking with egg yolks is also forecast for exotic dinner and luncheon fare this year, using heady spice blends such as Shakshuka (smoked paprika, cumin, pepper, cayenne, turmeric and caraway). The last two trends McCormick identifies for 2017 are a melding of Mediterranean ingredients into classic Western and European dishes, and the use of peppercorns in sweet pairings, from balsamic-pepper syrup to peppered whip cream.

President's Choice is one of the companies that has long been filling consumer desires for more exotic flavours. Its Black Label spice collection includes wellestablished Garam Masala, Tandoori, Chinese Five-Spice and Smoked Paprika, and now encompasses tasty blends such as Peri Peri, a fiery, Portuguese-inspired mix of chilies, coriander, cumin, garlic, black pepper, paprika, ginger, and lemon oil. Other Black Label additions include Harissa (a hot Moroccan blend of chilies, cumin, ground caraway, coriander, garlic, sea salt and spearmint leaves), Ras El Hanout (a pungent fusion of two dozen spices including cinnamon, cardamom and rose petals), and Sumac (tangy ground-up berries of the sumac shrub, a staple in North African and Middle-Eastern cooking). Rounding out the current product line is Za'atar, a Middle-Eastern blend of roasted sesame seeds, oregano, sumac and thyme, and Shichimi Togarashi, an aromatic Japanese mix of hot red chili flakes, black and white sesame seeds, poppy seeds, orange zest, wasabi and nori seaweed.

Sensient Natural Ingredients (SNI) makes its own Moroccan Harissa Blend that lends both flavour and a deep, redbrick colour to many dishes. The company agrees there is continued strong demand for ethnic flavour profiles, especially those from North Africa and the Pacific Islands. SNI Marketing manager Jean Shieh adds that a "green" trend is growing, with specific demand for green chili peppers, such as green Serrano chili pepper and New Mexico Hatch chili pepper, to bring fresh, green notes to sauces, salsas and snacks. "Herbs and spices are being used adventurously beyond savoury applications," she says, "and we are now seeing beverages spiced with jalapeño, parsley or other green ingredients."

Doris Valade, president of Burlington, Ont.-based Malabar Super Spice, sees no end to the demand for international flavours. "We're seeing more Peruvian blends and that's interesting because it's a multicultural country, and we've been getting calls for the blend for Filipino longganisa pork sausage for a while," she notes. "There's also a lot of interest in Moroccan flavours — they use a lot of fruit even in their savoury dishes. And a demand for more varieties of chilies, fruity and hot, sweet and hot, smoky and hot." Valade also says both black and white pepper are currently at their highestever demand. Lastly, she notes that Malabar's orders from grocery stores for spice blends are growing, as these businesses grow their value-added marinated and spiced butchered meat product selections. "It's been a European trend for a long time," explains Valade, "and it's finally here."

#### **Health & flavour**

Valade also identifies another ongoing trend in spices besides international flavours — a strong interest in the health benefits. "Turmeric was hot in



2016 and that's likely to continue," she observes. "There's still a quest for natural ingredients and smaller ingredient lists on labels."

McCormick Canada corporate chef Juriaan Snellen agrees, noting that over the years, the Flavour Forecast has reflected a growing interest in using spices to add flavour instead of deriving it from unhealthy ingredients. "Global flavours are bold and will help elevate taste profiles without reaching towards salt and sugar," he says. "Spicy, tart and smoky flavours are great examples. Last year we launched Clubhouse Signature Blends Sriracha & Lime

seasoning, which has multidimensional flavours of spicy with a hint of garlic and a fresh burst of lime. This flavour combination can be applied across multiple categories including topped onto pumpkin soup, baked into breads and crackers, sprinkled onto popcorn, seasoned onto chicken or salmon — and for adventurous palates, shaken onto mango Popsicles for a whole new flavour experience."

However, Shieh contends that these days, consumers are also looking for simplicity. "After a couple years of indulging in complex flavour profiles and global cuisines that could overwhelm the senses, now it is about appreciating the ingredients behind the flavours," she explains. "Where the ingredients are coming from, and how to use an ingredient in simple recipes that they can create at home and share with friends and family via social media." SNI's customers are also demanding more products specifying ingredient sources, especially in the non-GMO and organic arenas. Heinz, for example, recently launched a line of authentic regional 100-per-cent natural ingredient sauces, including Memphis Sweet & Spicy and Carolina Tangy.

Euromonitor International, in its November 2016 report

Sauces, Dressings and Condiments in Canada, confirms that "as the health and wellness trend continues to gain traction amongst the Canadian population, a renewed focus on reducing salt is ensuring greater demand for herbs and spices." The research firm also notes that herbs, spices and chili sauces were

the top-performing categories in 2016, with "the growing popularity of ethnic cuisines [attracting] consumers' attention and inspiring them to cook these dishes at home."

Snellen agrees that cooking at home is on the increase, an experience that allows inspired consumers to choose which ingredients and which seasoning blends or herbs and spices to try. "Canadian consumers are in search of memorable eating experiences and flavour plays a big role in the overall experience," he says. "Today, consumers have access to flavours like never before. They are exposed to new flavour trends virtually everywhere they turn, through social media, food trucks, pop-up restaurants, food blogs and specialty websites and retailers. They are looking for recipes and inspiration in a variety of platforms such as digital and social channels, or even following their favourite celebrity chefs to recreate bold and exciting dishes."



# Celebrating packaging excellence

t a ceremony held in late September in Shanghai, the 2016 Pentawards honoured the best in packaging design from around the world. Awards were given at the Diamond, Platinum, Gold, Silver and Bronze levels, with the singular Diamond award representing the best in show, and one Platinum award going to the top design in each product category.

Every year, Pentaward winners are selected based on their creative quality and marketing relevance. As always, 2016's winners in the Food and Beverages categories were innovative and impressive. In fact, this year's Diamond Award came from the Food category — a simple yet bold pizza box design for Domino's Pizza from Jones Knowles Ritchie – jkr in the UK. There were four Canadian winners as well this year: one gold, two silvers and a bronze, in various categories.

Here are the Diamond and Platinum winners in the Food and Beverages categories, as well as the Canadian winners:

#### **Food category**

Diamond Award (best in show among all categories):

> Jones Knowles Ritchie – jkr, Domino's, UK (1)

Platinum Award:

> CBX, Man Cave Meats, U.S. (2)

#### **Beverages category**

**Platinum Award:** 

> Bullet, Imayotsukasa Sake Brewery – Imayotsukasa, Japan (3)

#### **Canadian winners**

Gold Award in the Luxury category:

> Carter Hales Design Lab, Distinguished Den – Four Fox Saké, Canada (4) Silver Award in the Food category:

> Davis, Buck Wild, Canada (5)

Silver Award in the Other Markets category:

> Subplot Design Inc., Petcurean – Spike, Canada (6)

Bronze Award in the Food category:

> Bridgemark, Olivieri, Canada (7)



















## **Growth** without compromise

Lessons from the Quebec agrifood experience

Frédéric Bouchard & Denvs Goulet

ere in Canada, there are limited distribution options for agrifood businesses. The grocery market is dominated primarily by five large retail distributors, making it challenging for small Canadian suppliers to attract attention and place their products. If companies want to become financially and operationally sustainable, growth isn't simply an option, it's an imperative.

The challenge of how to grow is one that agrifood companies have wrestled with for a number of years. In Quebec - where, according to the Institut du Québec, 9.4 per cent of GDP comes from agrifood — a number of companies have addressed the unique challenges posed by the Canadian market and shown that their organizations are capable of national and international growth.

The experience of agrifood businesses in Quebec led PwC to release the second edition of Saveurs in Winter 2017 — a report that shares the perspectives of a number of Quebec-based agrifood industry CEOs. The insights gathered from these CEOs reflect a keen knowledge of what it takes to succeed in the Canadian food and beverage industry today:

#### > Growth without compromise

"Survival depends on growth," says Exceldor CEO René Proulx, but organic growth can only take companies so far. Mergers and Acquisitions (M&As) can be important growth tools if companies recognize that growth for the sake of growth isn't enough; M&As should also create value. Companies need to evaluate this value, in addition to whether a target aligns with its corporate culture and long-term strategic plan. Culture clashes can easily cause M&As to fail, regardless of identified operational compatibilities.

#### > The power of knowledge

In the food and beverage industry, success is often driven by an unparalleled knowledge of consumer interests and evolving trends. The explosive growth of a number of companies focused on organic, environmentally responsible and local food products is a prime example. "More and more, consumers are holding companies that take a holistic approach in high regard," explains Marie-Josée Richer, co-founder and vice-president, Marketing, Prana BioVegan. "If the consumers are there, business will follow."

## Survival depends on growth.

#### > Innovation beyond products

To achieve long-term success, Canadian companies must continue to innovate and remain agile enough to adjust to new market challenges as they arise, such as the opening of a previously regulated market. "You just have to keep on reinventing and differentiating yourself," explains Jean Gattuso, president and COO of Lassonde Industries. When thinking about innovation, Canadian agrifood businesses also need to look beyond their products. Innovations in production processes, distribution channels and communications mechanisms can also help companies establish a more sustainable path to growth.

#### > Quality over the bottom line

Regardless of a company's growth strategy, Canadian suppliers should maintain a steadfast focus on product quality if they want to succeed long term. For new entrepreneurs or small companies looking to grow, Pat De Marco, president of Viau Food, offers a simple, if difficult to execute, piece of advice: "Make sure you have a quality product that stands out from the competition." A high-quality product should be a basic building block when it comes to creating a platform for growth.

#### > Responding to the growth imperative

The reality is that growth and success are never guaranteed. However, if agrifood companies understand their customers, provide high-quality products, constantly focus on innovation, and don't compromise their culture as they grow, they will be in a strong position to excel.

Frédéric Bouchard is a Montreal-based Corporate Finance partner with PwC Canada and Denys Goulet is a Valuation, Modelling and Disputes partner within PwC Canada's Montréal and Québec City offices. They can be reached at frederic.bouchard@ca.pwc.com and denys.goulet@ca.pwc.com To read more about growth in Quebec's agrifood sector, explore the latest edition of Saveurs (www.pwc.com/ca/food), PwC's publication featuring interviews with agribusiness leaders.

#### PACK EXPO International 2016

PACK EXPO International took place in Chicago from Nov. 6 to 9, 2016. This year's show had a record 2,512 exhibitors (combined with the colocated Pharma Expo) spread over an unprecedented 1.25 million net square feet of exhibit space. Here are just a handful of exhibitors showcasing their products at this year's impressive show.

#### Sustainability goals

Sealed Air was showcasing how it can help its customers achieve their sustainability goals in the face of today's biggest social and environmental challenges with its portfolio of widely recognized brands, including Cryovac brand food packaging solutions, Bubble Wrap brand cushioning, and Diversey cleaning and hygiene solutions. ww.sealedair.com

#### **Innovative feeders**

Founded in 1942, Eriez furnishes the Hi-Speed Electromagnetic Vibratory Feeders used on most in-line and carouselstyle weigh scales. Eriez Electro-Mechanical Vibratory Conveyors are ideal for high-volume conveying needs, while unwanted ferrous "tramp" metal can be removed with a broad selection of magnetic separators. Meanwhile, Eriez Metal Detector systems, including the new state-of-the-art Xtreme, find and then reject unwanted ferrous and nonferrous metal particles. www.eriez.com

#### Premium quality

Specializing in the manufacturing of premium-quality, size-reduction solutions for food, Deville Technologies offers a line of solutions that are custom-designed to clients' needs and are serviced by a team of professionals that go beyond their clients' expectations. All of Deville's designs are engineered to maximize throughput, produce quality profiles and increase its client's profits.

www.devilletechnologies.com

#### Quality bag sealing

All Packaging Machinery Corp. has been manufacturing quality packaging and bag sealing machinery for more than 60 years. The APM line includes USDA

Approved Vertical Conveyorized Bag Sealing Systems and Horizontal Conveyorized Bag Sealing Systems; Medical Validatable Pouch Sealers; Dual Heat Horizontal Sealing Systems for high-speed bag sealing and trimming; bag loaders for pre-made bags on a wicket for easy product loading; and Tabletop Sealers with conveyor for heat sealing stand-up pouches.

www.allpackagingmachinery.com

#### Optimized for large batches

Multivac's T 850 L Traysealer series is optimized for large batches and a quick product change. The T 850 models are mainly directed at medium-size and industrial-scale food producers and packers. The T 850 covers a wide spectrum of applications, particularly in the food packaging sector. In addition to meat, sausage and convenience products, it's also suitable for packing seafood/fish and cheese, as well as fruit, vegetables and salad products. www.multivac.com

#### Sophisticated production processes

GEA Group Aktiengesellschaft is one of the largest suppliers of process technology and components for the food and energy industries. As an international technology group, the company focuses on sophisticated production processes. www.gea.com



#### **Electric motors**

Baldor Electric Company is a designer, manufacturer and marketer of industrial electric motors, power transmission products,

drives and generators, selling those products under the Baldor-Reliance, Dodge and Maska brand names.

www.baldor.com

#### Design innovation

Montebello Packaging introduces a proprietary and patented new packaging technology that allows beverage and consumer product manufacturers to design aluminum bottles with shaped features similar to plastic blow-moulded bottles, yet with all the features and benefits of aluminum packaging. The shapes can include very fine details and can be custom printed with the customer's artworks in up to nine colours.

www.montebellopkg.com



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# What is the **product** transparency tipping point?

Peter Henderson

n 2016, United States-based Label Insight published a breakthrough study of 2,000 consumers. Even if you have already seen this research paper, it may be worth a second look. Its findings are remarkable, and may be used by government regulators, if voluntary action (as proposed in the U.S.) does not take hold.

Label Insight officially refers to their 2016 Transparency ROI Study as The 2016 Label Insight Transparency ROI Study - Driving Long Term Trust and Loyalty Through Transparency. The study can be downloaded at www.labelinsight. com/smartspec-smartlabel

Some key findings of the survey, which cannot be ignored, are:

- » 94 per cent of respondents say they are likely to be more loyal to a brand that offers complete transparency.
- » 53 per cent of 18- to 34-year-old women with children said they would prefer to use a mobile app to verify brand claims about being healthy.
- » 39 per cent of consumers would switch from their current preferred brand to one that offers more product transparency.
- » 81 per cent say they would consider a brand's entire portfolio of products if they switched to that brand because of transparency.
- » 40 per cent of U.S. consumers believe a brand owner is transparent if it provides information about how products are produced.
- » 35 per cent believe a brand owner is transparent if it provides information about how products are sourced.

» 31 per cent believe a brand owner is transparent if it provides information about how products are handled. Just over a year ago, the Grocery Manufacturers Association (GMA) announced more than 30 major companies based in the U.S. were committed to SmartLabel (live product



information landing pages), which voluntarily disclose up to 17,000 attributes per SKU. At the time, the GMA projected nearly 30,000 food, beverage, pet care, personal care and household products would be public by the end of 2017, and within five years (now four years) 80 per cent of these packaged products that consumers buy would be visible.

By the end of January 2017, it appears about 20 companies, large and small, are publicly participating. They have collectively posted just over 4,000 products, which are viewable on

smartlabel.org. According to smartlabel. org there are four early adopters, each with more than 100 food/beverage SKUs listed. They are: Mondelez, with 1,046 food and beverage SKUs posted; The Coca Cola Company, with 207 SKUs; The Hershey Company with 418 SKUs; and Unilever, with more than 643 SKUs, plus personal care products. Other multinationals, each with a relative smattering of published products at time of writing, include Campbell Soup Company, ConAgra, General Mills and Kellogg.

Regardless of these early results, leaders selling anywhere in the North American market should consider these questions:

- » Can greater product transparency result in higher brand trust and authenticity in your consumers' eyes?
- » Can systems to support transparency enhance your organization's creativity and innovativeness? Can it attract and retain valued employees?
- » Can your information ecosystem and digital strategy become a cornerstone of your future knowledge gathering, with the ability to adapt more easily to customer and/or consumer preferences?

Could the tipping point be SmartLabel reaching 30,000 SKUs by the end of 2017?

Peter Henderson is a director on the board of the Agri-Food Management Institute (AMI). He is also founder and managing director of Ideovation, a Toronto-based growth strategy services company. Contact him at phenderson@ideovation.com

# RESEARCH CHEFS'





## News>file

#### Keep on food trucking...

In December, Humber culinary students gathered to compete in a live cook-off that showcased flavourful and creative food truck dishes.

Held in partnership with Nestlé Professional MINOR's, the competition challenged students to create food truck recipes featuring at least one Nestlé Professional MINOR's Base or MINOR's Flavour Concentrate, as well as its new Maggi Thai Red Curry. Special guest judge was Cory Vitiello, owner of Flock Rotisserie and Green.

The top three winners, who received prizes of \$1,000, \$750 and \$500 respectively, were: Kris Wray for Chinese Steam Buns with Red Thai Curry



Kris Wray and his winning dish (below).



Marinated Chinese Thighs; Sarah Elkington for Literally Popcorn Chicken; and Kathryn Kramer for Thai Glazed Beignet Filled with Ancho Custard.

MacDonald and

#### **RCA spices it up in Puerto Rico**

Get ready for the sunshine, because this year Research Chefs Association (RCA) is heading for San Juan, Puerto Rico for its Annual Conference & Culinology Expo.

Taking place this year March 14 to 17, the event is highly anticipated for its speaker series, educational sessions and networking opportunities. This year's lineup includes keynote speeches from Ali Bouzari, co-founder of Pilot R+D, and Neville Craw, corporate executive chef of Arby's Inc. Breakout sessions include a wide range of topics, such as replacing artificial colours, high pressure pasteurization (HPP), and GMO labelling standards. For local flavour, the convention offers sessions on cooking with rum, plus insights on the different culinary traditions influencing Puerto Rican cuisine.

As well as its annual exhibition of suppliers to the industry, the conference will include several competitions: the Mixology Competition; two professional and student culinology competitions the National Savory Culinology Competition and the National Pastry Culinology Competition; and the student Evolution of Food Waste Product Development competition. For more information visit culinology.org/ AnnualConference.

#### **INBRIEF**

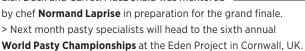
> Chef Works Inc., a global culinary and hospitality uniform apparel brand, has acquired



Chef Works Canada, and named Jeff Berman as president to head up sales, marketing and operations in the Canadian territory. The move will improve consistency to all Chef Works customers in Canada and the U.S., while bringing a wider selection of market-leading products to the Canadian industry.

Last fall the company moved to a new Toronto corporate office and distribution centre.

> Last fall in Milan Mitch Lienhard of the U.S. was declared the winner of the S. Pellegrino Young Chef 2016 award for his signature dish, Roasted Duck with Spiced Orange and Yam. Representing Canada in the final 25 contestants was Sean MacDonald of Calgary, with his signature dish Duck and Carrot. MacDonald was mentored



The March 4 crimp-off, supported by the Cornish Pasty Association, is open to both professional and amateur Cornish pasty makers, and includes Cornish pasties and open savoury categories for pasties with creative fillings. Matt Grant from The Great British Pasty and Pie Co. in Ottawa, is the



2016 World Pasty Championships Ambassador, and will return to the competition for the third time this year.

- > Daryl Kerr, corporate chef of Great Events Group, has been named Chef of the Year by the Calgary Academy of Chefs and Cooks, a branch of the Canadian Culinary Federation. Kerr is recognized for his creativity, inspiring passion to his craft, and his commitment to the local food industry in Calgary.
- > The Canadian Food Championships will be held this year in Edmonton July 21 to 23. The high-intensity, double-blind cooking competition is open to both professional and amateur chefs, and is the only Canadian qualifying competition for the World Food Championships in Orange Beach, Alabama, Nov. 9 to 14. For more information visit canadianfoodchampionships.ca



# Food & beverage trends to look for **IN 2017 & BEYOND**

By John Placko





here are so many trends to write about, but here's my selection of trends for 2017 and beyond. Let's not confuse a fad with a trend. A fad is short lived, while a trend has the ability to sustain growth and often becomes mainstream. Although Atkins appeared to be a trend, it was not to be and cost many companies dearly in R&D, operation and marketing costs, that all had to be reversed as fast as it came on.

#### **Vegetables**

I've never seen such importance placed on vegetables. Even the world's most prestigious culinary competition, the Bocuse d'Or, decided that one of the two dishes to be presented for the judges would be composed exclusively of fruits, vegetables, cereals, seeds or legumes. Quite a departure for the competition, which is celebrating its 30-year anniversary this year, but it reflects the worldwide trend.

It seems that cauliflower is the hero in this category. This vegetable is finding its way into our homes as much as it is in restaurants, and even the freezer in your local grocery store. My favourite way to eat this is baked whole in the oven with herbs, spices and cheese. And plant-based restaurants used to be few and far between, but now there are numerous chefdriven concepts popping up all over in Canada and the U.S., with some headed by celebrity chefs.

#### **Protein**

Many companies are trying to educate consumers as to where they can find protein beyond the protein bar. Protein is found in numerous foods including beef, pork, turkey, chicken and fish, like salmon, as well as octopus. Many plant-based items also have high levels of protein. Items like tempeh which is made of whole soybeans — black beans, chick peas, nuts, lentils and quinoa are all good ways to increase your protein intake. I think Pulse Canada did a fabulous job promoting the benefits of consuming pulses during 2016, the International Year of Pulses.

#### **Turmeric**

A perennial plant from the ginger family, known for its medicinal properties, turmeric is also commonly used to give food and beverage products a yellow colour, including in orange juice, ice cream, dairy products, yogurt and sauces. The hot tea category is one where I see turmeric being featured heavily right now in new product introductions. It's also a key ingredient in curry powder blend.



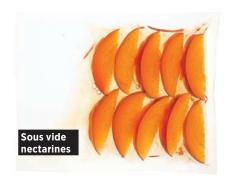
#### Chilled beverages

Nitrogen-infused cold brew coffee had a very short incubation period, and within a year we saw small start-ups selling their products. Large-scale production quickly followed and was introduced by some of the world's largest coffee outlets.

Kombucha shows no sign of slowing down. The fermented and sweetened flavoured tea beverages lend themselves to various flavour profiles as well as the halo of health benefits. Coconut water is becoming a staple after a few years of very rapid growth.

#### **Native ingredients**

Although it's been the norm to have restaurant menus with exotic and expensive ingredients from various countries around the world, the tide is changing as chefs scout their own region or country for native ingredients. Rene Redzepi of the famed Noma restaurant in Copenhagen is known for creating the Nordic cuisine from local ingredients, and now turns his curiosity to other countries as well. Creating unique dishes with Japanese ingredients for his 2015 pop-up restaurant in Tokyo, followed by his Australian pop-up restaurant in Sydney in 2016, Redzepi is now scouting Mexico for a pop-up restaurant in 2017. With Canada's 150th birthday this year, chefs are scrambling to find and feature native Canadian ingredients on their menus.



#### Sous-vide

French for "under vacuum," this cooking method involves having food sealed in food-safe plastic bags and placed into a water bath at a precise temperature for a precise amount of time to get repeatable, perfectly cooked product. I've recently seen an article stating sous vide

is back. Well can I say, it's never gone away. It's been rising in popularity in professional kitchens and now in domestic kitchens. The technique made

its way into restaurants in the mid-1970s and is now fairly standard in many professional kitchens around the world, as well as in many home kitchens due to the drop in price for sous-vide devices.

Watch for these emerging trends in the near future:

#### **Edible helium balloons**

Yes, the same floating balloon you used to suck the helium from to talk like a chipmunk is now an edible reality. The balloon is made from a blend of sugar-like ingredients, so you can eat the balloon after you deflate it.



#### 3-D food printing

It's not as scary as it sounds. One of the food-based printers, called the Foodini, does not load additiveladen food tubes into the machine. Rather you create the savoury or sweet food purées yourself and then the device dispenses a variety of patterns onto the plate letting your imagination run wild with what you can create.

#### Freeze-dried products



Although the drying process is quite expensive and not very accessible, the taste and texture has a unique offering for people wanting a crisp fruit, vegetable or ice cream that packs a punch in terms of flavour.

John Placko is culinary director, Modern Culinary Academy, and Bar 120: Cuisine Transformed, Pearson International Airport. Contact him at johneplacko@gmail.com or at (416) 666-9544.



## The price is right. Or is it?

Birgit Blain

ne of the many challenges food brands face is pricing products to optimize sales and profit. Get it right and it can lead to a profitable business. However, too high a price will negatively impact listings and sales. And too low a price will eat into profits and eventually kill the business.

Pricing is part of the marketing strategy and should be aligned with the brand strategy, as the retail price can influence consumer expectations of the brand. Start with the cost of goods, which is the cost of producing the product. Then factor in other components such as:

- » Overhead
- » Your profit margin
- » Marketing (promotional allowances, flyer placement, sampling programs)
- » Distribution
- » Brokerage fees (a fixed percentage of sales depending on the volume)

Also consider retail listing fees and unexpected business expenses due to currency fluctuations, product write-offs and, heaven forbid, product recalls. The final product cost is referred to as the "cost of goods sold" (COGS). Prepare "what if" scenarios to determine the difference in profitability when the COGS and selling price change.

#### Calculation of gross margin (GM)

The same formula is used to calculate gross margins (GM) for manufacturers, distributors and retailers: Selling price -COGS = GM\$ ÷ selling price = GM per cent. For example: \$1.99 - \$1.49 = \$0.50 $GM \div \$1.99 = 0.25 = 25 \text{ per cent } GM.$ 



Pricing is part of the marketing strategy and should be aligned with the brand strategy.

#### A vicious circle

When sales volume is low it creates a Catch-22 situation. Lack of buying power results in a higher cost of goods, which leads to high pricing and, ultimately, low sales. Formulating products with premium ingredients such as organic or non-GMO exacerbates the situation, making it a challenge to achieve the optimal price.

Before product development begins, set targets for the cost of goods and suggested retail price to guide decision making and keep costs in line. The target retail should take into consideration brand positioning, competitor pricing, what the target customer is willing to pay and retailer gross margin expectations, which could be 30 to 50 per cent. Keep in mind that the retailer determines the final retail price.

#### A tough sell

Price increases are difficult conversations

to have with retailers. If the initial price was too low, they may not accept an increase. And if they do, the increase will likely be passed on to consumers, resulting in a volume decline.

How much is the consumer willing to pay? There's a limit. That's why it's important to have a point of difference that is relevant for the target customer. Products that satisfy an unmet consumer need generally have more pricing latitude because there is little or no competition. Remember too that consumer survey respondents often say they are willing to pay more for certain attributes or benefits, but in reality that may not be the case. Don't make crucial business decisions based on surveys alone.

#### Promotions, a necessary evil

Canadian shoppers have become value-seekers, making 35 per cent of their purchases on a temporary price reduction (TPR). Promotions are necessary to drive sales, but beware of habitual discounting. Never sell your product for less than it cost to make.

Getting the price right is a balance of art and science. Effective pricing is about knowing your costs, customers and competitors, establishing an attractive price and ensuring every sale is profitable.

As a packaged foods consultant, Birgit Blain helps brands that struggle to maintain listings. Her experience includes 17 years with Loblaw and President's Choice. Contact her at Birgit@BBandAssoc.com or learn more at www.BBandAssoc.com

#### **ASSOCIATIONS**

#### **Agriculture and Agri-Food** Canada

TF: (855) 773-0241 T: (613) 773-1000 www.agr.gc.ca

#### **Groupe Export** Agroalimentaire/Agri-Food Export Group Québec-Canada

TF: (800) 563-9767 T: (450) 649-6266 www.groupexport.ca

#### **Agri-Food Trade Service**

TF: (855) 773-0241 T: (613) 773-1000 http://bit.ly/9FFAic

#### **The Canadian Trade Commissioner Service**

http://www.tradecommissioner. gc.ca/eng/home.jsp

#### **Find a Trade Commissioner**

http://www.tradecommissioner. gc.ca/eng/find-trade-contacts.jsp

#### Ag-West Bio Inc.

T: (306) 975-1939 www.agwest.sk.ca

#### **Alberta Barley**

TF: (800) 265-9111 T: (403) 291-9111 www.albertabarley.com

#### Allergy/Asthma Information **Association**

TF: (800) 611-7011 T: (416) 621-4571 www.aaia.ca

#### Anaphylaxis Canada

TF: (866) 785-5660 T: (416) 785-5666 www.anaphylaxis.ca

#### L'Association des brasseurs du Québec/Quebec Brewers **Association**

TF: (800) 854-9199 T: (514) 284-9199 www.brasseurs.qc.ca

#### Association des embouteilleurs d'eau du Québec/Quebec Water **Bottlers' Association**

T: (450) 349-1521 www.conseiltaq.com/ association/aeeq/



Food in Canada's annual guidebook directs you to Canadian food and beverage industry associations and councils, research centres and educational institutions, plus U.S. national associations. To be listed in the 2018 guidebook, please contact Deanna Rosolen at drosolen@foodincanada.com

#### **Association of Seafood Producers**

T: (709) 726-3730 www.seafoodproducers.org

#### Atlantic Food & Beverage **Processors Association**

T: (506) 389-7892 www.atlanticfood.ca

#### Baking Association of Canada/ Association canadienne de la boulangerie

TF: (888) 674-2253 T: (905) 405-0288 www.baking.ca

#### **B.C. Food Processors Association**

T: (604) 371-4245 www.bcfpa.ca

#### **B.C.** Grapegrowers Association

TF: (877) 762-4652 www.grapegrowers.bc.ca

#### **B.C. Salmon Farmers Association**

TF: (800) 661-7256 T: (250) 286-1636 www.salmonfarmers.org

#### **B.C. Salmon Marketing Council**

T: (855) 642-3551 www.bcsalmon.ca

#### **B.C.** Wine Grape Council

T: (250) 809-7107 www.bcwgc.org

#### **B.C.** Wine Institute

TF: (800) 661-2294 T: (250) 762-9744 www.winebc.org

#### **Beer Canada**

T: (613) 232-9601 www.beercanada.com

#### Canada Beef Inc.

T: 403-275-5890 www.canadabeef.ca www.beefinfo.org

#### Canada Pork International/ **Canada Porc International**

T: (613) 236-9886 www.canadapork.com

#### Canada Safety Council/Conseil canadien de la sécurité

T: (613) 739-1535 www.canadasafetycouncil.org

#### Canada's Smartest Kitchen

T: (902) 566-9674 www.canadassmartestkitchen.ca

#### **Canadian Aquaculture Industry** Alliance/Alliance de l'industrie canadienne de l'aquaculture

T: (613) 239-0612 www.aquaculture.ca

#### **Canadian Association of** Importers and Exporters/ Association canadienne des importateurs et exportateurs

T: (416) 595-5333 www.iecanada.com

#### Canadian Association of **Regulated Importers**

T: (613) 738-1729 www.cariimport.org

#### **Canadian Beverage Association (previously** Refreshments Canada)

T: (416) 362-2424 www.canadianbeverage.ca

#### **Canadian Bottled Water** Association/l'Association canadienne des eaux embouteillées

T: (416) 618-1763 www.cbwa.ca

#### **Canadian Centre for** Occupational Health and Safety/ Centre canadien d'hygiène et de sécurité au travail

TF: (800) 668-4284 T: (905) 572-2981 www.ccohs.ca

#### **Canadian Corrugated Containerboard Association**

T: (905) 458-1247 www.cccabox.org

## 2017 Resource guidebook



#### Canadian Dairy Commission/ Commission canadienne du lait

T: (613) 792-2000

Class 3(d) and Special Milk Class Permits: (613) 792-2057 Dairy Imports/Exports: (613) 792-2010

www.cdc-ccl.gc.ca

#### **Canadian Federation of** Agriculture/Fédération canadienne de l'agriculture

T: (613) 236-3633 www.cfa-fca.ca

#### **Canadian Federation of** Independent Grocers/ Fédération Canadienne des Épiciers Indépendants

TF: (800) 661-2344 T: (416) 492-2311 www.cfig.ca

#### Canadian Food Exporters Association

TF: (888) 227-8848 T: (416) 445-3747 www.cfea.com

#### **Canadian Food Inspection** Agency/Agence canadienne d'inspection des aliments

TF: (800) 442-2342 T: (613) 773-2342 www.inspection.gc.ca

#### **CFIA Area and Regional Offices**

http://bit.ly/qx6l3l Atlantic: (506) 777-3939 Quebec: (514) 283-8888 Ontario: (226) 217-8555 Western Canada: (587) 230-2200 National Headquarters: (800) 442-2342 or (613) 773-2342

**CFIA Food Labelling and** 

**Advertising** http://bit.ly/cxAKya

#### **CFIA Regulating Agricultural Biotechnology in Canada**

TF: (800) 442-2342 T: (613) 773-2342 http://bit.ly/J38mSD

#### Canadian Foundation for **Dietetic Research**

T: (416) 642-9309 www.cfdr.ca

#### Canadian Hatching Egg **Producers/Les Producteurs** d'oeufs d'incubation du Canada

T: (613) 232-3023 www.chep-poic.ca

#### Canadian Health Food Association

TF: (800) 661-4510 T: (416) 497-6939 www.chfa.ca

#### **Canadian Institute of Food** Science & Technology/Institut canadien de science et technologie alimentaires

T: (905) 332-2320 www.cifst.ca

#### Canadian Manufacturers & Exporters/Manufacturiers et exportateurs du Canada

T: (905) 672-3466 www.cme-mec.ca

#### Canadian Meat Council/ Conseil des viandes du Canada

T: (613) 729-3911 www.cmc-cvc.com

#### **Canadian National Millers Association**

T: (613) 238-2293 www.canadianmillers.ca

#### Canadian Organic Growers/ **Cultivons Biologique Canada**

TF: (888) 375-7383 T: (613) 216-0741 www.cog.ca

#### **Canadian Plastics Industry** Association

T: (905) 678-7748 www.plastics.ca

#### Canadian Pork Council/ Conseil canadien du porc

T: (613) 236-9239 www.cpc-ccp.com

#### Canadian Poultry and Egg **Processors Council/Conseil** canadien des transformateurs d'oeufs et de volailles

T: (613) 724-6605 www.cpepc.ca

#### **Canadian Produce Marketing** Association/Association canadienne de la distribution de fruits et légumes

T: (613) 226-4187 www.cpma.ca

#### Canadian Sanitation Supply **Association**

TF: (866) 684-8273 T: (905) 665-8001 www.cssa.com

#### Canadian Seed Growers' Association/Association canadienne des producteurs de semences

T: (613) 236-0497 www.seedgrowers.ca

#### Canadian Spice Association/ **Association Canadienne** des Épices

info@canadianspiceassociation.com www.canadianspiceassociation.com

#### **Canadian Sugar Institute**

T: (416) 368-8091 www.sugar.ca

#### **Canadian Vintners** Association/Association des vignerons du Canada

T: (613) 782-2283 www.canadianvintners.com

#### Canola Council of Canada

TF: (866) 834-4378 T: (204) 982-2100 www.canolacouncil.org

#### Central Ontario Cheesemaker **Association**

T: (519) 287-3933 www.cocma.ca

#### Centre de recherche industrielle du Québec (CRIQ)

TF: (800) 667-2386 T: (418) 659-1550 www.crig.gc.ca

#### **Certified Organic Associations** of British Columbia

T: (250) 260-4429 www.certifiedorganic.bc.ca

#### **Chicken Farmers of Canada**

T: (613) 241-2800 www.chicken.ca

#### Coffee Association of Canada/ Café association du Canada

T: (416) 510-8032 www.coffeeassoc.com

#### **Council of Food Processing** & Consumer Products/Conseil de la transformation agroalimentaire et des produits de consommation

T: (450) 349-1521 www.conseiltaq.com

#### **CSA Group (Canadian** Standards Association)

TF: (800) 463-6727 T: (416) 747-4000 www.csagroup.org

#### Dairy Farmers of Canada/ Les producteurs laitiers du Canada

T: (613) 236-9997 www.dairyfarmers.ca

#### Dietitians of Canada/ Les diététistes du Canada

T: (416) 596-0857 www.dietitians.ca

#### Egg Farmers of Canada/Les Producteurs d'oeufs du Canada

T: (613) 238-2514 www.eggfarmers.ca

#### Export Development Canada/ Exportation et développement Canada

TF: (800) 229-0575 T: (613) 598-2500 www.edc.ca

#### Fédération des producteurs de cultures commerciales du Québec

T: (450) 679-0540 www.fpccq.qc.ca

#### Fisheries Council of Canada/ Conseil Canadien des Pêches

T: (613) 727-7450 www.fisheriescouncil.ca

#### Fisheries and Oceans Canada/ Pêches et Océans Canada

T: (613) 993-0999 www.dfo-mpo.gc.ca

#### Food and Beverage Ontario (formerly Alliance of Ontario Food Processors)

T: (519) 826-3741 www.foodandbeverageontario.ca

#### **Food & Consumer Products of** Canada

T: (416) 510-8024 www.fcpc.ca

#### Food Banks Canada/Banques alimentaires Canada

TF: (877) 535-0958 T: (905) 602-5234 www.foodbankscanada.ca

#### **Food Industry Association** of Canada (Golden Pencil Awards) c/o Bill Sheine, secretary/ treasurer

T: (416) 229-0210 E: sheine@rogers.com www.goldenpencilaward.com

#### **Food Processors of Canada**

T: (613) 722-1000 www.foodprocessors.ca

#### **Further Poultry Processors Association of Canada**

T: (613) 738-1175 www.fppac.ca

#### Grain Growers of Canada/ Les producteurs de grains du Canada

T: (613) 233-9954 www.ggc-pgc.ca

#### Innovation P.E.I.

TF: (800) 563-3734 T: (902) 368-6300 www.innovationpei.com

#### **Manitoba Canola Growers Association**

T: (204) 982-2122 www.mcgacanola.org

#### **Manitoba Food Processors** Association

T: (204) 982-6372 www.mfpa.mb.ca

#### **Manitoba Pulse Growers** Association

TF: (866) 226-9442 T: (204) 745-6488 www.manitobapulse.ca

#### **Master Brewers' Association** of Canada c/o Master Brewers

**Association of the Americas** http://www.mbaa.com/districts/ Pages/default.aspx

#### **National Farm Animal Care** Council/Conseil national pour les soins aux animaux d'elevage

www.nfacc.ca

#### **National Research Council** Canada

TF: (877) 672-2672 T: (613) 993-9101 www.nrc-cnrc.gc.ca

#### **Natural Health and** Non-prescription Health **Products Directorate**

TF: (866) 225-0709 T: (613) 957-2991 www.healthcanada.gc.ca/nhpd

#### **Newfoundland Aquaculture Industry Association**

T: (709) 754-2854 www.naia.ca

#### **Nova Scotia Fish Packers Association**

T: (902) 742-6168 www.fishpackers.com

#### **Ontario Food Protection** Association

T: (519) 265-4119 www.ofpa.on.ca

#### **Ontario Fruit and Vegetable Growers' Association**

T: (519) 763-6160 www.ofvga.org

#### The Ontario Greenhouse **Alliance**

T: (905) 945-6791 www.theontariogreenhousealliance.com

#### **Ontario Independent Meat Processors**

T: (519) 763-4558 www.oimp.ca

#### **Ontario Processing Vegetable Growers**

T: (519) 681-1875 www.opvg.org

#### PAC, Packaging Consortium

T: (416) 490-7860 Que. office: (514) 990-0134 www.pac.ca

#### The Paper & Paperboard **Packaging Environmental** Council (PPEC)

T: (905) 458-0087 www.ppec-paper.com

#### Pasta Canada

T: (613) 235-4010 www.pastacanada.com

#### **Poultry Industry Council**

T: (519) 837-0284 www.poultryindustrycouncil.ca

#### **Provision Coalition**

T: (519) 822-2042 www.provisioncoalition.com

#### **Restaurants Canada** (formerly Canadian **Restaurant and Foodservices Association)**

TF: (800) 387-5649 T: (416) 923-8416 www.restaurantscanada.org

#### Retail Council of Canada/ Conseil canadien du commerce de détail

TF: (888) 373-8245 T: (416) 467-3777 www.retailcouncil.org

#### Saskatchewan Food **Processors Association**

info@sfipa.ca www.sfpa.sk.ca

#### **Spirits Canada**

T: (416) 626-0100 www.acd.ca

#### Standards Council of Canada/ Conseil canadien des normes

T: (613) 238-3222 www.scc.ca

#### **Supply Chain Management Association**

TF: (888) 799-0877 T: (416) 977-7111 www.scma.com

#### **Taste of Nova Scotia**

TF: (800) 281-5507 T: (902) 492-9291 www.tasteofnovascotia.com

#### Tea Association of Canada/ Association du Thé du Canada

T: (416) 510-8647, ext. 2 www.tea.ca

#### Turkey Farmers of Canada/Les éleveurs de dindon du Canada

T: (905) 812-3140 www.canadianturkey.ca

#### Union des producteurs agricoles du Québec

T: (450) 679-0530 www.upa.qc.ca

#### Vintners Quality Alliance of Ontario

T: (416) 367-2002 www.vgaontario.ca

#### Wine Country Ontario (c/o Wine Council of Ontario)

T: (905) 562-8070, ext. 221 www.winecountryontario.ca

#### Women in Food Industry Management

E: admin@wfim.ca www.wfim.ca

#### **Workplace Safety & Prevention** Services (formerly Industrial **Accident Prevention** Association)

TF: (877) 494-9777 T: (905) 614-1400 www.wsps.ca

#### **World Potato Congress**

T: (902) 368-8885 www.potatocongress.org

### 2017 Resource guidebook



**Agriculture and Agri-Food Canada's Research Centres** http://bit.ly/XrAVze

#### **Atlantic Poultry Research** Institute

T: (902) 893-6657 http://www.dal.ca/sites/ apri.html

#### Bio|Food|Tech - Prince Edward Island Food, **Technology Centre**

TF: (877) 368-5548 T: (902) 368-5548 www.gov.pe.ca/ftc

#### **Canadian International Grains Institute**

T: (204) 983-5344 www.cigi.ca

#### **Cintech Agroalimentaire**

T: (450) 771-4393 www.cintech.ca

#### College of Agriculture and Bioresources, University of Saskatchewan

www.agbio.usask.ca http://bit.ly/KvY9PQ

#### **Food Development Centre Manitoba** Agriculture, Food and Rural Initiatives

TF: (800) 870-1044 T: (204) 239-3150 http://bit.ly/1ABm44T

#### Food Innovation & Research Studio (FIRSt) **George Brown College**

T: (416) 415-5000 www.georgebrown.ca/first

#### **Food Processing Development Centre** Alberta Agriculture and Rural Development

T: (780) 986-4793 www.agric.gov.ab.ca/fpdc

#### **Human Nutraceutical** Research Unit, Department of Human Health & Nutritional Sciences, University of Guelph

T: (519) 824-4120, ext. 53749 www.uoguelph.ca/hnru

#### Merinov - Quebec Fisheries and Aquaculture Innovation Centre/Centre d'innovation de l'aquaculture et des pêches du Québec

TF: (844) 368-6371 T: (418) 368-6371 www.merinov.ca

#### **Morden Research Station Agriculture and Agri-Food** Canada

T: (204) 822-7556 http://bit.ly/1zJ2CVq

#### NSF International - Guelph **Food Technology Centre**

T: (519) 821-1246 www.gftc.ca

#### **Organic Agriculture Centre of** Canada/Centre d'agriculture biologique du Canada, **Dalhousie University**

T: (902) 893-7256 www.organicagcentre.ca

#### POS Bio-Sciences John and Charlotte Cross **Bio-Sciences Centre**

TF: (800) 230-2751 T: (306) 978-2800 www.pos.ca

#### Saskatchewan Food **Industry Development** Centre Inc.

T: (306) 933-7555 www.foodcentre.sk.ca

# EDUCATIONAL CONTACTS

#### **Acadia University School of Nutrition and Dietetics**

T: (902) 585-1366 http://nutrition.acadiau.ca/

#### **British Columbia Institute of Technology, School of Health** Sciences, Food Technology Department

TF: (866) 434-1610 T: (604) 434-5734 http://www.bcit.ca/study/ programs/500adiplt http://www.mbaa.com/districts/ Pages/default.aspx

#### Canadian Nutrition Society/ Société canadienne de nutrition

TF: (888) 414-7188 www.cns-scn.ca

**Council of Canadian University Food Science Administrators** c/o Muriel Subirade, director **Department of Food Science** Faculty of Agriculture & Food Sciences, Université Laval

E: Muriel.subirade@fsaa.ulaval.ca

#### **Dalhousie University Faculty of Agriculture**

T: (902) 893-6600 http://www.dal.ca/faculty/ agriculture.html

#### **Durham College** Pharmaceutical and **Food Science Technology**

T: (905) 721-2000 http://bit.ly/10Pai8c

#### George Brown College **Hospitality and Culinary Arts and Chef School**

TF: (800) 265-2002 T: (416) 415-2000 http://www.georgebrown.ca/ chefschool/programs/

#### **Holland College Culinary Institute of** Canada

TF: (800) 446-5265 T: (902) 629-4217 http://www.hollandcollege.com/ culinary-institute-of-canada/

#### Langara College **Nutrition & Food Service** Management Program

T: (604) 323-5511 http://www.langara.bc.ca/ departments/nutrition/

#### McGill University -**Macdonald Campus** Faculty of Agricultural and Environmental Sciences, and the School of Dietetics and Human Nutrition

T: (514) 398-7773 www.mcgill.ca/macdonald

#### **Memorial University of** Newfoundland **Fisheries and Marine** Institute

TF: (800) 563-5799 T: (709) 778-0200 www.mi.mun.ca

#### SAIT Polytechnic -**Southern Alberta Institute** of Technology

TF: (877) 284-7248 T: (403) 284-7248 www.sait.ca

#### **University of Alberta** Faculty of Agricultural, Life & Environmental **Sciences Department of** Agricultural, Food and **Nutritional Science**

T: (780) 492-3239 www.afns.ualberta.ca

#### **University of British Columbia** Faculty of Land and Food Systems

T: (604) 822-1219 www.landfood.ubc.ca

#### **University of Guelph Centre for Open Learning** and Educational Support

T: (519) 767-5000 www.open.uoguelph.ca

#### **University of Guelph Department of Food** Science

T: (519) 824-4120 http://www.uoguelph.ca/ foodscience

#### Université Laval Microprogramme en **Alimentation et Nutrition**

T: (418) 656-2131 http://bit.ly/1Cvpl1a

#### **University of Manitoba Department of Food Science** Faculty of Agricultural and **Food Sciences**

T: (204) 474-9621 www.umanitoba.ca/faculties/afs/ food science/

#### **University of Manitoba Human Nutritional Sciences** Programs, Faculty of **Agricultural and Food Sciences**

T: (204) 474-6411 http://bit.ly/Yo2mud

#### **University of Prince Edward** Island

**Applied Human Sciences** 

T: (902) 620-5089 http://www.upei.ca/science/ applied-human-sciences

#### **University of Saskatchewan College of Agriculture and Bioresources**

T: (306) 966-4056 www.agbio.usask.ca

#### **University of Toronto Department of Chemical Engineering and Applied** Chemistry, Faculty of Applied Science & Engineering

T: (416) 978-2011 www.chem-eng.utoronto.ca

#### **U.S. NATIONAL ASSOCIATIONS**

#### **American Frozen Food** Institute

T: (703) 821-0770 www.affi.com

#### **Bakery Equipment Manufacturers and Allieds**

T: (913) 338-1300 www.bema.org

#### **Flavor and Extract** Manufacturers **Association**

T: (202) 293-5800 www.femaflavor.org

#### The Food Institute

T: (201) 791-5570 www.foodinstitute.com

#### **Food Marketing Institute**

T: (202) 452-8444 www.fmi.org

#### **Food Processing Suppliers Association**

www.fpsa.org

#### **Grocery Manufacturers Association**

T: (202) 639-5900 www.gmaonline.org

#### Institute of Food **Technologists**

T: (312) 782-8424 www.ift.org

#### **International Warehouse Logistics Association**

T: (847) 813-4699 www.iwla.com

#### **National Dairy Council**

www.nationaldairycouncil.org

#### **North American Meat Institute**

(202) 587-4200 www.meatinstitute.org

#### **Organic Trade Association**

U.S.: (202) 403-8520 Canada: (613) 482-1717 https://www.ota.com

#### **Paperboard Packaging Council**

T: (413) 686-9191 www.ppcnet.org

#### Soyfoods Association of **North America**

T: (202) 659-3520 www.soyfoods.org

#### U.S. Food and Drug Administration

T: (888) 463-6332 www.fda.gov http://bit.ly/1Cvpl1a

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Farrah, Dean and Prim Lingh of Wonton Crunch, appearing on "Dragon's Den."

## **Wonton Crunch** Smiths Falls, Ont.

Carol Neshevich

rim Singh was an immigrant from Trinidad and Tobago working at the Hershey Chocolate Factory in Smiths Falls, Ont., when he decided to go back to school to study computers in the late 1990s. To help pay the bills while he was a student, he enlisted his wife and young kids to make wontons — which were a popular item at the restaurant he previously owned in Trinidad and Tobago — to sell locally.

"My kids were about eight and nine years old at that time, and for three and a half years every weekend we would stand at the kitchen table and we would make wontons," says Singh. "We would make 1,000 on Saturday and 1,000 on Sunday using our hands to fold them."

After his computer course was finished, Singh went back to work at Hershey and opened a computer business on the side. By then, the family was tired of spending their entire weekends making wontons by hand. Although he looked around for a machine that could help him continue to make and sell wontons, he couldn't



find one, so he abandoned the wonton

But the wonton bug never left him, and about a decade ago Singh thought he'd give it a go again — this time building his own machine. It took several years of tinkering, through trial and error, to build a machine he could use to fold the wontons properly, and about three years ago, he finally had one that worked.

During that time, he and his family had also been working on developing unique flavoured fillings for their crunchy appetizer-style wontons. "We came up with a Jalapeño Cream Cheese wonton, which is still our best seller, a Chicken Bruschetta, a Coriander Pork, and as time went on we added more flavours," says Singh, noting that they now also have a Butter Chicken wonton, a Caramel Apple Crunch, and something they call Buffalo Chicken "Wing Ton," the filling of which is like a buffalo chicken wing.

The company sells primarily to foodservice operations in Eastern Ontario, and now has distribution giant Sysco as a distributor, which Singh expects will help greatly expand their reach. The Farm Boy grocery chain is also a major client, selling the wontons in its hot counter as well as in the frozen food section. Wonton Crunch currently sells somewhere between 300,000 and 350,000 wontons each month.

Singh notes that he's grateful for the help he had from Business Development Bank of Canada (BDC), and he's also grateful for the publicity that came from a successful appearance on the TV show

"Dragon's Den." "The publicity we got from the 'Dragon's Den' is popularizing the product and getting the brand out there," adds Dean Singh, Prim's son, who is also the CEO of Wonton Crunch. In fact, the entire family is involved in running the company — Prim's wife Grace does all the financials, while his daughter Farrah manages the office.

Looking to the future, the Singhs expect to be HAACP certified soon, which will enable the company to ship its products outside of Ontario. "Our goal is to go straight across Canada, and then start focusing on crossing the border to the U.S.," says Prim Singh. "Our goal is to put a wonton into everyone's hand."





#### Q: What makes your company unique?

A: "As far as we know, we're the only company in Canada, and possibly North America, that manufactures wontons with the unique flavours that we carry. We're also the only company in Canada that does manufacturing of boat-shaped wontons. There are five different ways to fold a wonton, and the boat-shaped is the most intricate to fold."

#### Q: What would you like people to learn from your story?

A: "I would like people to know that if they have an idea and they wish to pursue it, they don't have to know how to get to the end of the road. All they have to know is that if they start the journey, and keep pushing, they can accomplish whatever they want to accomplish. I am proof of that."





# **PROSPEROUS**

PROCESS EXPO is the nation's largest food and beverage processing show. Professionals from a cross section of vertical markets, including bakery, cereal, grain, beverage, dairy, meat, poultry, seafood, prepared foods, fruits and vegetables, confectionery, and pet foods explore new technology in equipment and food processing and packaging products.



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