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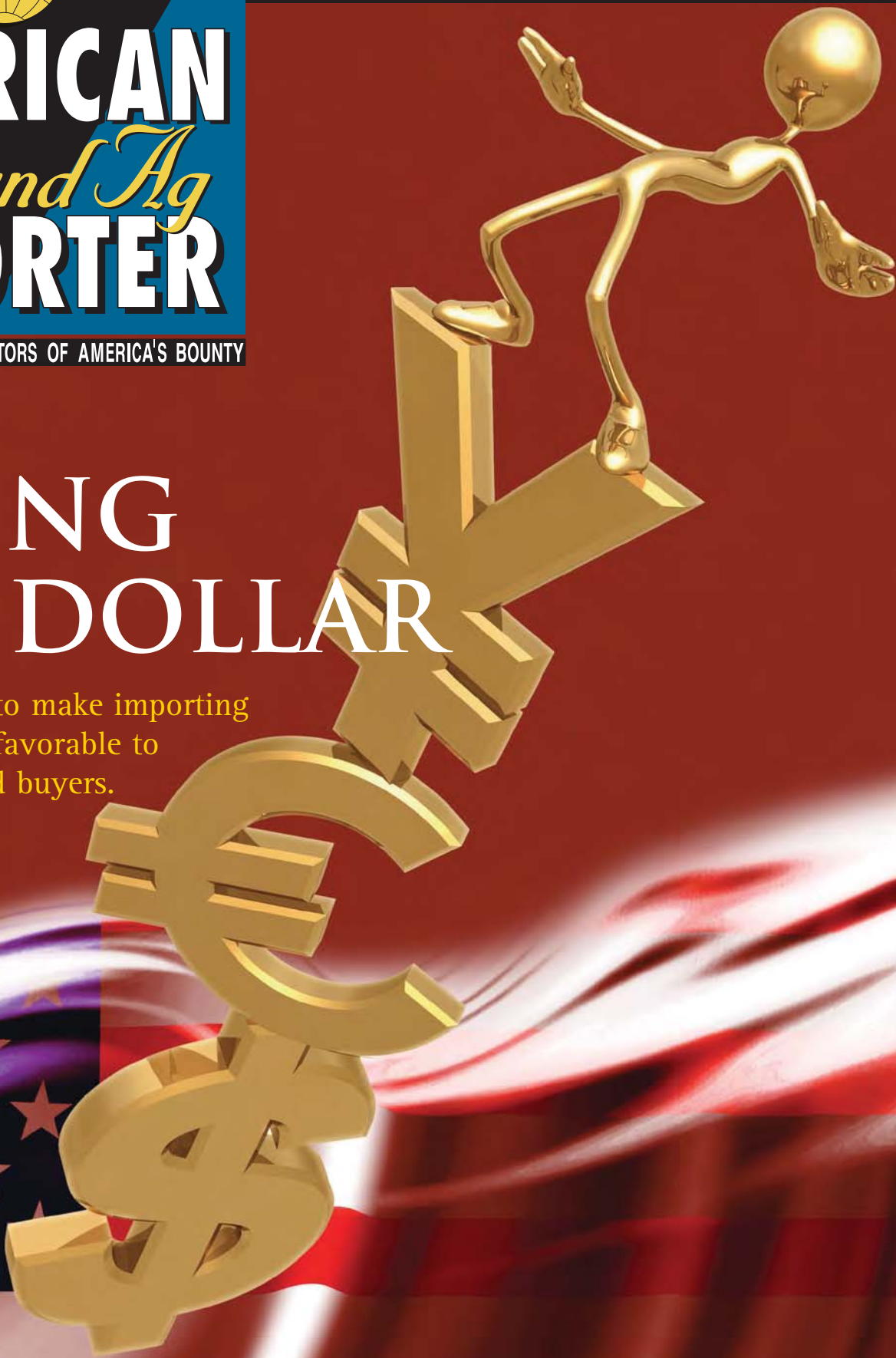
AMERICAN *Food and Ag* EXPORTER

FOR BUYERS AND DISTRIBUTORS OF AMERICA'S BOUNTY

Also Inside:
Kosher And Halal • California Wine
Processed Meat • California Produce

RIDING THE DOLLAR

Factors combine to make importing
U.S. goods more favorable to
international food buyers.



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E Pluribus Unum

Import Advantages

With increased prosperity in many countries creating demand for high-quality food products and a declining dollar reducing the cost of buying food and ag products from the United States, now may be the time to increase marketing efforts in your country to introduce American food products to your clientele and build repeat business in the years ahead.

The low U.S. dollar and rising incomes of people around the world combine to create a powerful opportunity to bring in new products and perhaps even experiment a bit with introductions of food that may have been seen as expensive a year or so ago.

Some value-added meat items, for example, may have once been thought of as a luxury, but with the favorable dollar, perhaps your market may now be open to trying some new protein products, such as turkey sausage, cured pork bacon, hot dogs, etc. For more information on these items, please see *Increasing Demand For Value-Added Meats*, beginning on page 19.

Another food category that is worth exploring is California wine. Winning taste tests around the world and capturing prizes once merited by only French wineries, California wine is increasing in demand from some of the wealthiest countries in the world. For more on California wines, see the article, *California Wine Exports Continue To Win Fans*, beginning on page 17.

Other California agricultural products are also featured in this issue and deserve your consideration. Stone fruit, grapes, citrus, pomegranates, avocados and carrots are just some of the items singled out in our article, *California Fruit And Vegetable Exports*, beginning on page 22.

Of course, buying product purely on price is always ill-advised. Quality standards, food safety measures and optimum taste, among other criteria, must also fit into the buying equation. And for many items, whether that product is certified as halal or kosher is a determining factor.

In our feature article, *Find Success With Halal And Kosher Products*, beginning on page 14, you will learn that there is a lot more to certification of halal and kosher products than meets the eye. Again, buying just on price may not get you the authentic product you asked for. Product must be properly labeled and packaged to be legitimate.

With the opportunity created by the weak dollar, the question is obvious: How can you, as an importer, do more to market American food and agricultural products now that the advantage for import is on your side? One idea: sponsor sampling programs more often. Bring in an item with which your market is not familiar and work with retailers to introduce it to consumers. Consumers really respond to sampling done in store, and if the product is good, you'll have immediate sales. A key tip: Follow up the sampling program by making sure good displays are maintained and good prices are offered for future purchase.

Do not hesitate to ask your suppliers what support is available. Though margins may be thinner on the supply side, there still exists a vast network of resources behind most U.S. exporters. These resources may range from statewide commodity boards to state departments of agriculture to nationwide trade associations and on to the U.S. government itself. All of these organizations, to varying degrees, assist the exporters in marketing products. In many cases, point-of-sale materials already exist and can be adapted to your consumers if you ask.

In any case, the world needs food, and the U.S. currency now makes it affordable. Seize the opportunity now and you will build business that will pay off for years to come. The team here at AMERICAN FOOD AND AG EXPORTER is here to help. ☺



Kenneth L. Whitacre
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FEATURE

Find Success With Halal And Kosher Products

Importers look to the United States for halal and kosher products.

By Suzy Loonam

Importers are looking to the United States for supplies of halal- and kosher-certified products. “The halal category for food product is rapidly becoming the 21st century’s fastest growing and highest demand category throughout the world,” says Jalel Aosse, director of Midamar Corporation, a Cedar Rapids, Iowa-based supplier of halal foods and foodservice equipment and supplies.

“Companies that see the halal market as a growing potential for the 1.5 billion Muslim consumers the world over are working toward acquiring halal certifications,” he continues. “No doubt, multinational companies with foresight are taking notes and strategizing now” to earn their share of the fastest-emerging global market.

According to a June 2007 report from the United States Department of Agriculture’s (USDA) Foreign Agricultural Service (FAS), France is Europe’s largest halal market with 4.7 million Muslims and halal sales between \$2 billion and \$4 billion in 2005, making it a large and growing destination for halal products from the United States.

The World Halal Forum Expo’s Web site estimates that the world’s halal food trade averages nearly \$400 billion per year. Based on the sheer numbers of Muslims worldwide, all of whom are ordained by their religion to



consume only halal products, the potential for this seemingly narrow niche is enormous.

Though increases in demand for ethnic foods may correlate to shifts in religious populations, Saher Rizk, managing director of Atlanta, Georgia-based Mirasco, Inc., a leading supplier of a variety of food products, including meat, poultry and seafood to importers, distributors and processors worldwide, says the growth in U.S. exports of halal and kosher foods may simply reflect an overall trend in global sourcing. “I see more dependence on the United States as a source for food in general, and I see more demand for halal products naturally from that.”

Worldwide consumption of kosher foods cannot be correlated to the number of Jews as

easily as halal consumption is to Muslims. This is because not all Jews keep kosher (and, in fact, not all Muslims eat only halal foods), and many more non-Jews, including Muslims, consume kosher products for perceived quality, idealistic and health reasons.

Certification Responsibilities

What is kosher or halal in America may not be approved as kosher or halal in another country. Rizk advises importers to learn their markets well. As a veteran exporter, he knows certification requirements will vary from country to country. “What is considered halal can be subjective,” he cautions.

FAS seems to concur, repeatedly advising exporters to “verify the acceptability of certi-

fication with their importers” in many of their market reports.

At the consumer level, Aosse points out there is a trend toward halal source verification and halal packaging identification: “Consumers do not believe a product is halal just because the certificate sent with a shipment says so. They want proof on the package. If kosher consumers can demand adherence by food companies, the world’s 1.5 billion Muslims should have no problem expecting and commanding the same respect.”

Unfortunately, he adds, “There is still a real lack of accessible supply of credible halal meat proteins,” though Aosse says Midamar makes every effort to keep up with demand.

However, worldwide demand outweighs the supply, especially from the United States. FAS actively promotes the development of halal-certified exports from the United States, reporting, “Halal requirements are not difficult to meet. The USDA believes that any American slaughterhouse should be able to comply with the new halal policy” established in 1996.

Midamar’s Aosse agrees halal certification is not difficult to acquire, adding that it is why his company has started a consulting division

HALAL AND KOSHER RESOURCES

For more information, visit these Web sites:

1. Islamic Food and Nutrition Council of America (IFANCA), www.ifanca.org
2. Islamic Services of America (ISA), www.isaiowa.org
3. Kosherfest: www.KosherFest.com
4. Mirasco, Inc., www.mirasco.com
5. Midamar Corporation, www.midamar.com
5. U.S. Department of Agriculture Foreign Agricultural Service, www.fas.usda.gov
6. World Halal Expo, www.worldhalalexpo.com

to aid U.S. and international companies in the process of becoming halal certified and marketing their halal products.

Importers should not assume non-Muslim countries can easily produce halal products, especially meats, Aosse notes. “Due diligence is critical, just like any other investment. A company must take proper measures to ensure what they are getting is the same as what it is represented to be. Ask questions and ask for source verification. Import companies need to demand that the halal certification is more than just a piece of paper.”

How can importers avoid fraudulent certifications? “This is the real question of the day,” Aosse explains. “First, start with whether certifiers are local or global. Do they perform very basic functions or services? Who are the principals behind the organization and what, if any, support staff is there? What strengths does each certifier possess, and how are they demonstrated? If certifiers state that halal certification can be done without visiting a facility, they may be more concerned with the paperwork than inspecting the operation. This is cause for concern.

“Look at the cost,” he continues. “If the certifier approaches halal certification as an administrative task rather than a process of product and procedure review, take caution. Remember, respect your name and brand



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because it is your company's reputation, and you are also marketing to consumers based on meeting their religious principals."

Whether the goal is to capitalize on the growing markets or to better meet customer demand, potential importers of U.S. kosher or halal products should begin by determining the category of food they need.

If the food requires halal certification, says Midamar's Aosse, "The next step is to identify — through the appropriate government or private parties — the list of exporters from the United States," and from there, the next step is to identify the product as halal.

"Truly halal products from the United States are more credible if the packaging identifies the product as halal," Aosse explains. "The days of paper halal certificates have a very dim future. Consumers do not trust paper documents. They want product identification, which then means the product falls under the USDA's truth in labeling. If it is halal, identify it as such and label it as such," he urges.

Reputation Counts

According to Mirasco's Rizk, the most important step in importing products from the United States is to know your merchant. "Check out your suppliers. Make sure they supply a good product," he advises.

To find a reputable supplier, Rizk suggests buyers begin with either a producer or grading company in the halal supply business. "Find out if they belong to various industry associations and inquire about them there. Qualify them as you do everything else. It makes good business sense."

Aosse advises a close look at the certifier. "Are they globally accepted? Is it a 100 percent Muslim-owned entity or organization?" Muslim-owned companies are not always expected to be certified, he adds, but they may be required to be halal-certified for export.

A supplier's trust and reputation are important in his trade, Rizk says, as are experience and know-how. When products are imported from his company, his customers "are buying my ability to provide that consistently."

Aosse believes the halal business is two-fold, combining consumer trust and industry knowledge. "People will trust brands, which takes time and transparency of the halal process. From an industry perspective, companies want to know how the process should work and it will be accepted."

Understanding the varying requirements in slaughter certification, packaging, labeling and documentation in each country can be

FAS SUPPORT


The Foreign Agricultural Service (FAS) of the United States Department of Agriculture (USDA), in its own words, "works to improve foreign market access for U.S. products, build new markets and improve the competitive position of U.S. agriculture in the global marketplace." It also bears the primary responsibility for USDA's overseas activities, including market development, international trade agreements and negotiations, and the collection and analysis of statistical and market information.

FAS administers USDA's export credit guarantee and food aid programs, while it helps increase income and food availability in developing nations by mobilizing expertise for agriculturally led economic growth.

With personnel in more than 75 locations serving more than 130 countries, FAS can help international buyers find the right product or the best supplier through its network of

agricultural counselors, attachés and officers.

"Importers outside the United States should know about FAS' online supplier database which lists thousands of suppliers of U.S. food and beverage products," reports John Rice, legislative and public affairs. "Queries can be tailored to allow the user to select product type, such as kosher, halal, organic and other specifications. Also, users may specify other searchable criteria for suppliers including product classifications, type of firm, international regions served and the location of the U.S. firm."

USDA's Export Credit Guarantee Program provides commercial financing of U.S. agricultural exports, and USDA Commodity Credit Corporation (CCC) programs encourage exports to buyers in countries where credit is necessary to maintain or increase U.S. sales, but where financing may not be available without CCC guarantees. 

tricky, which is another reason importers should work with qualified, experienced, reputable exporters. "If you know your supplier, you will be sure to get good quality," Rizk explains. "With something as subjective as halal, sometimes you have to be careful that it is not a technical barrier to trade."


Importers of U.S. products should also go to their own governments to learn about their country's import requirements. "Different countries have different requirements," Rizk advises. Countries may have their own Islamic examiners, or there may be a list of approved examiners. In some countries, any Islamic center may be able to sanction halal slaughter and packing; in others, there may be a list of approved certifiers that must be used. "See if there is a list of approved halal suppliers, or contact a trading company that is supplying halal products."

Trade Shows

Importers may benefit from attending trade shows devoted exclusively to halal- and kosher-certified products. In the United States, Koshfest draws thousands of retailers, distributors, manufacturer and foodservice professionals and exhibitors to the only all-kosher food and beverage show in the United States. "Koshfest is the one place importers can see a wide variety of kosher products that they

cannot see elsewhere," explains Bill Springer, group vice president, Diversified Business Communications, a Portland, Maine-based, multi-national trade exhibition and publishing company that co-produces and organizes Koshfest. "In many cases, Koshfest is the only place where you can see these suppliers," he adds. Koshfest will be held at the Meadowlands Exposition Center in Secaucus, New Jersey, Nov. 11-12, 2008.

The World Halal Expo is geared toward halal merchants and buyers and is scheduled for Nov. 24-16, 2008 in Dubai in the United Arab Emirates.

As the story of halal and kosher imports from the United States continues to unfold, importers will succeed if they remember the basics: Learn the market thoroughly; use available resources and stay abreast of country requirements; use a knowledgeable, trustworthy supplier with a quality product; and verify the acceptance of certifications by importing countries. 

To receive more information on Kosher and Halal, please visit www.americanfoodandag.com and fill out the Rapid Response Request Form — check box 832.

