Agriculture and Agri-Food Canada
Agriculture et Agroalimentaire Canada

Canada

International Markets Bureau

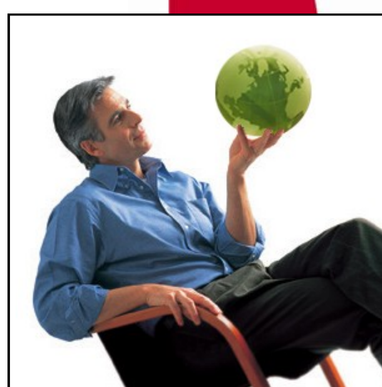
MARKET ANALYSIS REPORT | SEPTEMBER 2011

Consumer Trends

Pet Food in Switzerland

Source: Shuttestock

Source: Shutterstock



Growing Forward

Canada

EXECUTIVE SUMMARY

Despite its comparatively small size, Switzerland is one of the most affluent countries in the world. This is due to the country's very high standard of living and relatively stable economy. In fact, Switzerland has the third highest gross domestic product (GDP) per capita in the world at US$68,321. Only Norway and Luxembourg recorded a higher GDP per capita in 2010.

Switzerland's affluent nature explains its standing as having the 9th highest per household spending on pet food in 2010. The pet food market was valued at around US$500 million in 2010.

Switzerland has the 14th largest pet population in the world, with 7.2 million pets. The cat population is also the 14th largest, while the dog population is the 22nd largest in the world.

Cats are definitely the most popular pet in Switzerland with over 26% of Swiss households owning a cat. Dogs, meanwhile, are owned by just over 12% of the Swiss population.

The Swiss pet food market is expected to remain stagnant or increase slightly by volume, and will increase in value by 4.0% from 2011 to 2014. The market is forecast to reach US$522 million by 2015. In volume terms, it is predicted to reach over 85,000 tonnes by 2015. Factors such as increasing sales of private label, economy and premium brands, as well as a decline in dog and bird populations have made a major contribution to this development. Private label and discount brands are expected to increase their market share over mid-priced brands, due to the increasing number of discount retailers and pet superstores in Switzerland.

Canada currently sells dog treats to the Swiss market. Dog biscuits, as well as dog and cat food in airtight containers (not containing whey or milk powder) traded between Canada and Switzerland are given a preferential duty-free rate due to the European Free Trade Agreement (EFTA) agreement. If producers wish to export their products to Switzerland, strict European Union (EU) sanitary and veterinary guidelines must be followed, and they must be admitted to the list of establishments permitted to export to Switzerland.

Although growth in the pet food market in Switzerland is relatively small, and sales are forecast to remain relatively stagnant, it is still a very large and diverse market with consumers who are regularly searching for both premium and economy priced brands.

INSIDE THIS ISSUE

Source: *Shutterstock, 2011.*

MARKET OVERVIEW

- In 2010, the Swiss real GDP declined by 2%. According to Euromonitor, this has forced some consumers to be a little more price-conscious and paved the way for discounters to enter the Swiss market. However, real GDP growth is predicted to be 2% in 2011.

- Swiss pet owners are becoming increasingly willing to spend on premium foods in order to ensure their pets are healthy. Premium products with functional benefits have continued to be popular. Meanwhile, economy products have also grown, particularly in volume terms.

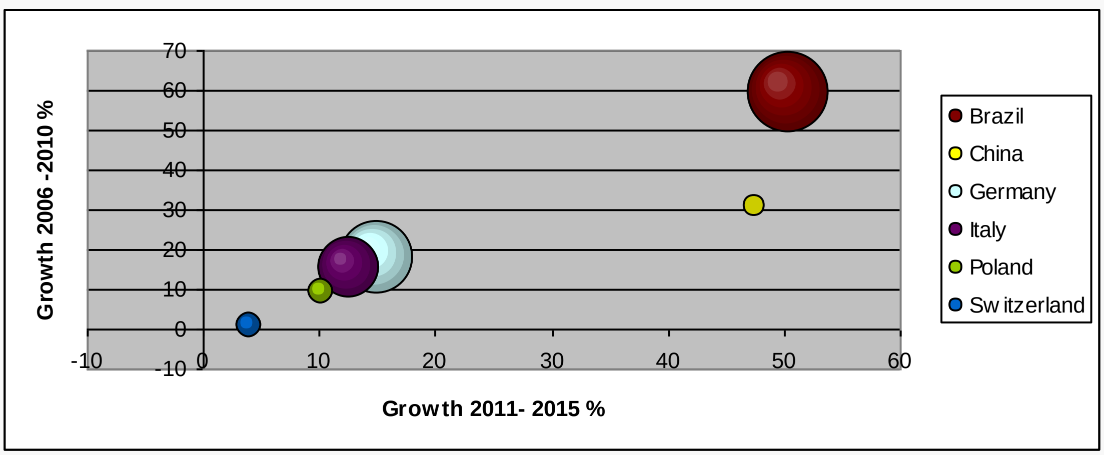
- According to Euromonitor, health and wellness has been the most dominant trend in Switzerland for two main reasons. First, pets are treated more like family members, especially in older and childless consumers. Secondly, Swiss consumers are eating more healthily and are buying healthy foods for their pets as well. To accommodate consumer demands, the Swiss market offers a wide range of lifecycle foods that have added value, breed and size specific products.

- In 2010, the Swiss pet food market reached almost US$500 million. The pet food market in Switzerland has remained relatively stagnant from 2005 to 2010 and is expected to grow by 4.0% from 2011 to 2015. The forecasted fastest growing markets are Venezuela (251%), India (95%), Russia (87%) and Ukraine (65.6%).

- Below is a graph comparing the pet food market size in Switzerland to other developed and developing countries. The United States is not included in this graph, as other pet food markets pale in comparison to its US$19 billion market. The market size for Brazil, the second largest pet food market in the world, was US$4.7 billion in 2010. However, if pet toys, pet healthcare products, cat litter, pet dietary supplements and other pet products are included, then Japan becomes the second largest market with around US$6.3 billion in retail sales. China's pet food market was a small US$332.5 million in 2010, but its growth is expected to be around 48% from 2011 to 2015. Switzerland's pet food market is closest to the Polish pet food market size, however, the Polish market is growing much faster.

- Even though the Swiss pet food market is not very large compared to some other developed and even developing countries such as Spain, Brazil, the Netherlands and Mexico, it is 9th in the world in expenditure per household. Swiss household expenditure on pet food ranks higher than countries with larger pet food markets such as Brazil, Germany, Italy, the Netherlands and Canada. Swiss households spend an average of US$145.8 per year on pet food. This is a strong indication of the importance of pet food to the Swiss population.

Market Size and Growth of Selected Global Pet Food Markets in 2010



Source: *Euromonitor, 2011.*

- Unlike developing markets such as India, most pet food in Switzerland is prepared. Approximately 68% of all dog food sold in Switzerland was prepared, and 60% of cat food was prepared. Non-prepared dog and cat food consists of table scraps or homemade pet foods such as liver. Even though the amount of non-prepared dog food over prepared has declined in the past 5 years, some pet stores have been catering to the non-prepared market with installed fridges that contain raw food.

PET POPULATION

- Switzerland's pet population has remained fairly stagnant, increasing marginally from 7,166 in 2005 to 7,228 in 2010. Fish have the largest pet population, but are not necessarily the most popular pet, as consumers usually have more than one fish. Cats are actually more popular than dogs, comprising around 18% of the pet population in 2010. Small mammals stood second with 8% (572) and dogs ranked fourth with 6% (465) of the total pet population.

Pet Population in Switzerland

000s of Animals	2005	2006	2007	2008	2009	2010
Fish	4,400.0	4,312.1	4,315.0	4,340.0	4,390.0	4,420.0
Cats	1,350.0	1,400.0	1,380.0	1,370.0	1,360.0	1,364.0
Small mammals	563.0	565.0	575.0	580.0	571.0	572.0
Dogs	480.5	460.2	474.9	476.4	467.5	465.7
Birds	422.0	405.0	395.0	390.0	388.0	381.0
Reptiles	23.0	23.8	24.5	25.0	25.2	25.4

Source: *Euromonitor, 2011.*

RETAIL TRENDS

- According to Planet Retail, the Swiss pet food and pet care market is largely dominated by superstores, which account for 24% of sales in the Swiss pet care market (see table on page 5). Supermarkets are the second most popular retailers for pet care products, holding 17.6% of the pet care market. The top supermarkets in Switzerland include Coop, Migros and SPAR. Some banners under the Migros company include Denner, LeShop, M Migros, Scana and Giro-Detaillisten. Some banners owned by Coop include Coop Vitality, Coop Megastore, Coop, and Coop Pronto. Pet shops such as Qualipet and Fressnapt, held a combined 109 outlets by May 2011. Qualipet, and other pet stores are not included in the table from Planet Retail on page 5.

- Pet care sales are expected to increase in all retail formats, and the total number of stores selling pet care items is set to increase from 2010 to 2012. However, forecourt retailers, e-commerce, cash and carries, discounters, drugstores and certain hypermarket and superstore formats (Coop owned only), are expected to increase their share of the pet food market at the expense of other types of retailers. Specifically, cash and carries will increase their market share the most. Formats that are expected to achieve the most growth for pet care items from 2010 to 2016 are cash and carries with 155% growth, drugstores (145%), discounters (114%), grocery e-commerce (106%) and hypermarket/superstore formats (96%).

Source: *Planet Retail, 2011.*

- According to Euromonitor, pet food is mostly sold in various types of grocery retailers, and pet products are sold mostly from pet shops, pet superstores, and a small portion from veterinary clinics (not included in the table on page 5).

- Unlike premium pet care superstores in North America such as PetSmart, Fressnapf, which represents around 8.6% of total pet care market sales in Switzerland, is actually a discount pet food retailer. This may seem strange in a market where premium pet food is also in abundance, but in Switzerland, private label products are very popular and widely accepted by consumers. Even though Fressnapf is considered a pet food discount store, it still sells premium and super premium products, just at generally cheaper prices than many other retailers.

RETAIL TRENDS (CONTINUED)

- The following table lists all the retail formats where pet care products are sold in Switzerland. The table only includes main retailers listed by Planet Retail. The table also includes the market share for each retailer within their particular format type.

Retail Value Sales of Pet Care by Retail Format Type in Switzerland in Percentage Share Historic and Forecast

Format	% Share of Pet Care Value Sales			Top Retailers and their % Share of Total Format Value Sales in 2010
	2010	2011	2012	
Superstores	24.00%	22.92%	22.48%	Migros (70.6%), Coop (28.2%), SPAR (1.1%)
Supermarkets	17.65%	16.87%	16.60%	Coop (47.8%), Migros (44.6%), SPAR (6.8%) Casino (0.7%)
Discount stores	11.98%	12.75%	13.67%	Migros (60.3%), Aldi (29.5%), Schwarz (10.2%)
Neighbourhood stores	10.74%	9.90%	9.35%	Coop (88.9%), Migros (11.1%)
Hypermarkets	9.59%	9.09%	8.89%	Migros (93.2%), Casino (6.7%)
Pet shops	8.61%	8.16%	8.42%	Fressnapf (100%)
Delivered wholesale (Independent Retailers)	4.53%	4.45%	4.42%	Coop (75.6%), Migros (23.9%), DSR (0.5%)
Hypermarkets & superstores	4.24%	4.45%	4.66%	Coop (100%)
Cash & carries	3.44%	6.18%	6.02%	SPAR (50.1%), Rewe (46.9%), Casino (2.4%)
Drugstores	1.78%	1.86%	2.04%	Muller (51%), Coop (49%)
Drugstores/pharmacies	1.42%	1.31%	1.31%	Alliance Boots (100%)
Grocery e-commerce	1.17%	1.25%	1.34%	Migros (65.8%), Coop (34.4%)
Department stores (with food hall)	0.33%	0.30%	0.28%	Manor (100%)
Forecourt stores	0.31%	0.32%	0.34%	Coop (74%), ExxonMobil (7.7%) Migros (6.8%), Others (11.5%)
Petrol stations	0.19%	0.18%	0.16%	Coop (100%)
Convenience stores	0.02%	0.02%	0.02%	Coop(100%)
Total Pet Care Market	**100.00%**	**100.00%**	**100.00%**	**Migros (44%), Coop (34%), Fressnapf (8.6%)**

Source: *Planet Retail, 2011.* ***Note:*** *Only main retailers included by Planet Retail are used for % of market calculations. See Glossary on page 16 for explanations of retail formats.*

PET FOOD PRICING

- The average unit price for overall pet food in 2010 was $6.0 per kg, which is the third highest in the developed world. In fact, it is expected to increase to $6.1/kg by 2015, which would still make the unit price of pet food in Switzerland the fourth highest in the developed world. The factors for this change are growth in health and wellness products, premium products, age- and breed-specific brands and organic offerings.

- According to Euromonitor, standard priced dog and cat food products in Switzerland are declining in sales, with market sales becoming more polarized between premium-priced and economy-priced products. Mid-priced dry cat food declined in value sales by 5% from 2005 to 2010, while mid-priced wet cat and dog food both declined in value sales by 2% during the same period. Sales of both premium and economy cat and dog food have increased to pick up the slack, causing value sales in the total pet food market to increase by 1.3% from 2005 to 2010.

Dog and Cat Food by Price Bands in Switzerland—2009

Sector	Item	Price Range per kg ($US)
Wet Dog Food	Premium	Above $6.76
	Standard	Between $3.38 and $6.78
	Economy	Below $3.38
Dry Dog Food	Premium	Above $5.79
	Standard	Between $2.90 and $5.79
	Economy	Below $2.90
Wet Cat Food	Premium	Above $8.69
	Standard	Between $3.86 and $8.69
	Economy	Below $3.86
Dry Cat Food	Premium	Above $9.66
	Standard	Between $4.83 and $9.66
	Economy	Below $4.83

Source: *Euromonitor, 2011.*

TRADE ANALYSIS

- According to Global Trade Atlas, Canada ranked as the 15th top supplier of cat and dog food to Switzerland in 2010. About 37% of dog and cat food imports into Switzerland were from Germany, while the Netherlands and France were also top exporters of dog and cat food to Switzerland.

- Switzerland is usually a net exporter of dog and cat food to the world, however, in 2010, Switzerland was a net importer. In 2010, 53% of Switzerland's imports were dog and cat food in airtight containers, 38.9% were not in airtight containers and 8.1% were dog biscuits.

- In terms of volume, Switzerland imported 79,604 tonnes of dog and cat food in 2010, of which 36,154 tonnes were dog biscuits and treats. Switzerland also exported 73,383 tonnes of dog and cat food in 2010, only 367 tonnes of which were dog treats and biscuits exported mostly to Russia and Germany.

- All of Canada's US$1.3 million worth of exports of dog and cat food in 2010 consisted of dog biscuits and treats. Canada's exports of these products have been fluctuating between US$650,000 and US$1 million since export data was available from Global Trade Atlas in 1996. Canada's main competitors for dog biscuits are relatively the same as the total dog and cat food market.

Switzerland Import Statistics: Total Dog and Cat Food Put up for Retail Sale

Partner Country	U.S. Dollars		
	2008	2009	2010
World	185,498,765	183,972,934	171,569,849
Germany	79,427,717	72,792,403	63,909,816
France	36,002,590	43,044,246	38,835,649
Netherlands	28,628,007	24,816,155	18,589,102
Spain	11,356,471	8,892,687	7,977,952
Czech Republic	70,824	208,345	7,371,280
Italy	4,805,704	5,106,354	6,387,839
Austria	4,435,029	4,928,236	5,816,805
Hungary	5,275,259	4,265,815	4,263,783
Belgium	367,069	4,555,135	3,630,414
Poland	3,910,387	3,857,926	3,452,556
#15 Canada	710,870	1,059,714	1,300,085

HS Code: 230910

Switzerland Export Statistics: Total Dog and Cat Food Put up for Retail Sale

Partner Country	U.S. Dollars		
	2008	2009	2010
World	197,652,751	191,740,102	168,886,484
Germany	72,766,338	104,605,110	103,948,066
France	35,905,783	31,457,262	21,365,086
Italy	13,798,114	16,408,564	15,596,845
Netherlands	6,789,323	5,032,086	5,933,735
United Kingdom	18,176,582	10,618,295	5,915,208
Austria	40,474,587	13,681,467	5,210,306
Belgium	3,742,826	4,439,126	3,625,482
Russia	606,910	1,165,364	2,983,760
Spain	1,216,144	1,397,615	1,433,040
Norway	610,736	833,378	930,529

HS Code: 230910

Switzerland Import Statistics: Dog Biscuits Put up for Retail Sale

Partner Country	U.S. Dollars		
	2008	2009	2010
World	70,771,577	72,267,935	66,977,553
Germany	18,505,150	19,333,719	18,271,620
France	15,602,448	19,083,608	14,977,935
Netherlands	23,411,696	17,667,951	10,875,442
Czech Republic	55,741	116,624	6,895,208
Belgium	208,216	4,092,948	3,128,276
Italy	2,563,957	2,049,006	2,912,524
Poland	3,001,980	3,267,619	2,825,685
Hungary	3,083,185	2,386,449	2,570,666
United Kingdom	250,768	1,170,036	1,365,788
Canada	657,303	1,059,714	1,300,085

HS Code: 23091010

Switzerland Export Statistics: Dog Biscuits Put up for Retail Sale

Partner Country	U.S. Dollars		
	2008	2009	2010
World	1,248,755	2,214,590	2,129,916
Russia	0	657,938	811,196
Germany	702,957	907,538	626,712
Italy	213,628	262,659	302,978
Belgium	203,316	89,881	203,925
Greece	95,007	127,181	117,238
Denmark	0	27,716	22,453
Portugal	18,267	28,477	13,906
Spain	13,295	4,263	9,968
Austria	19	19,687	9,943
Czech Republic	0	0	4,895

HS Code: 23091010

Source: *For all charts, Global Trade Atlas, 2010.*

IMPORT REQUIREMENTS

- Lists of suppliers from non-EU countries must be included in the TRACES system according to the technical specifications published by the European Commission on its website. Lists of Canadian pet food suppliers that are permitted to export to Switzerland can be found on the following website: http://ec.europa.eu/food/food/biosafety/establishments/third_country/index_en.htm. The veterinary authorities of the approved country of origin are responsible for permitting goods for export only from suppliers that meet the requirements of Regulation (EC) 1069/2009 and Regulation (EU) 142/2011. These regulations can be found on the following web site: http://www.bvet.admin.ch/ein_ausfuhr/03719/index.html?lang=en. *

- According to the Federal Department of Economic Affairs in Switzerland, imports of dog and cat food in airtight containers (not containing milk or whey powder) are duty free due to a free trade agreement between Canada and European Free Trade Association (EFTA) nations (Switzerland, Norway, Liechtenstein, and Iceland). These products are also given border veterinary or inspection fees of 1.47 Francs per 100 gross kilograms and some Value Added Tax (VAT). However, if the dog or cat food in airtight containers contains milk or whey powder, a duty of 12.80 Swiss Francs per 100 gross kilograms is applied, along with the same Value Added Tax (VAT), and veterinary or inspection fees. Dog biscuits are also given a duty-free rate, along with a VAT and veterinary or inspection fees. Updated tariff rates can be found from the Federal Customs Administration in Switzerland using the following link: http://www.ezv.admin.ch/index.html.

Source: *Shutterstock, 2011*

MARKET DATA

- Total volume sales of pet food have grown 1.4% from 2005 to 2010, while value sales have only grown 1.3%, showing slightly more growth in the economy segments of dog and cat food. Value sales of ''other" pet food which includes bird, small mammal, fish and reptile food, has grown 1.9%, while volume has declined 0.3% during the same period. This shows a tendency for Swiss consumers to purchase more premium products, and also indicates a declining pet bird population. The total pet food market will grow 4.0% in value from 2010 to 2015, and will grow 0.7% in volume terms.

- The total dog food market has been, and will continue to be on the decline in both value and volume, however, volume sales are expected to increase from 2010 to 2015.

Market Value and Volume Sales of Pet Food in Switzerland—Historic and Forecast

	2005	2006	2007	2008	2009	2010	2010-2015 Total Period Growth (%)
Retail Value—US$ Millions—Fixed 2010 Exchange Rates—Current Prices							
Cat Food	264.1	264.3	266.7	270.2	270.5	271.0	7.0
Dog Food	166.4	166.7	166.6	166.6	165.0	164.5	-1.7
Other Pet Food	62.9	62.6	62.7	63.6	63.6	64.1	5.9
Volume—Tonnes							
Cat Food	40,505.5	40,573.3	40,846.4	41,326.0	41,647.7	41,968.8	1.0
Dog Food	35,556.8	35,276.8	35,191.5	35,424.7	35,359.5	35,281.7	0.2
Other Pet Food	5,782.6	5,741.9	5,744.4	5,791.6	5,756.9	5,765.3	0.9

Source: *Euromonitor, 2011.*

*The most complete version is only available in French from: http://www.bvet.admin.chein_ausfuhr/03719/03734/index.html?lang=fr

DOG FOOD

- The most popular type of dog food is dry dog food, capturing 54% of the total dog food market value sales in 2010.
- Only dog treats and mixers are expected to increase in both volume and value sales from 2010 to 2015, while dry dog food will only increase slightly by volume during the same period.
- Sales of dog food are declining, or remaining stagnant due to a declining dog population. Recent regulations in Switzerland force first time dog owners to take a course on proper dog care which according to Euromonitor, may be a factor for consumers wishing to purchase a dog.
- Around 34% of the market in 2010 was premium dry and wet dog food, of which dry food is the most popular. As mentioned before, sales of mid-priced brands are on the decline, with both premium and economy taking over. Many economy brands are private label offerings and around 18.4% of dog food in 2009 was sold using private label brands.
- Like many other developed and developing pet food markets, many new product introductions will be marketed specifically for certain ages, breeds, sizes, and health trends. Even organic dog food sales are expected to grow and may become a key product differentiator for new entrants. The best selling organic pet food brand in Switzerland is Defu.

Source: *Shutterstock, 2011*

Market Value and Volume Sales of Dog Food in Switzerland—Historic and Forecast

	2005	2006	2007	2008	2009	2010	2010-2015 Total Period
Retail Value—US$ Millions—Fixed 2010 Exchange Rates—Current Prices							
Dry Dog Food	87.8	89.0	89.6	89.7	88.8	88.8	-3.7
Wet Dog Food	62.1	60.6	59.6	59.4	58.5	57.9	-4.8
Dog Treats and Mixers	16.4	17.0	17.3	17.6	17.7	17.8	7.1
Volume— Tonnes							
Dry Dog Food	19,952.3	20,015.1	20,094.5	20,191.9	20,306.7	20,432.9	0.5
Wet Dog Food	12,642.4	12,535.0	12,448.5	12,473.3	12,492.7	12,490.4	-0.2
Dog Treats and Mixers	2,687.0	2,701.4	2,718.9	2,735.1	2,765.0	2,800.8	0.8

Source: *Euromonitor, 2011.*

- The dog treats and mixers market is dominated by a few companies and brands. The most popular brand in dog treats is Asco made by the Migros retailer (private label). Pedigree comes a close second with 32% of the market in 2009. In this market, private label is losing market share to Hill's Science Plan, a super premium brand, and Pedigree, a standard premium brand.

Dog Treats Brand Shares in Switzerland—% Retail Value RSP

Brand	Company	2006	2007	2008	2009
Asco	Migros	33.9	33.6	33.6	33.3
Pedigree	Mars Schweiz AG	-	31.8	31.9	32.0
Matzinger	Nestlé Purina PetCare	26.4	26.8	26.5	25.5
Hill's Science Plan	Provet AG	-	-	-	2.6
Others	Others	7.8	7.9	8.0	6.7

Source: *Euromonitor, 2011.*

DOG FOOD (CONTINUED)

- Private label brands are most dominant in the dry and wet dog food market. Both Migros and Coop retailers have private label products in the top 5 dog food brands. The combined private label market share in 2009 was 34.5% of the market. Even though Asco is a private label brand, it is actually a mid-priced product in the dog food market. Premium brands such as Pedrigree, Hill's Science Plan, Cesar, Royal Canin, Eukanuba, and Frolic are also among the top 10.

Dog Food Brand Shares in Switzerland—% Retail Value RSP

Brand	Company	2006	2007	2008	2009
Pedigree	Mars Schweiz AG	-	12.0	12.6	12.7
Asco	Migros	10.3	10.3	10.7	10.9
Matzinger	Nestlé Purina PetCare	5.7	5.9	6.2	6.3
Hill's Science Plan	Provet AG	4.8	5.0	5.8	6.1
Coop	Coop Genossenschaft	5.0	5.0	5.1	5.2
Cesar	Mars Schweiz AG	-	4.6	4.7	4.7
Royal Canin	Royal Canin (Schweiz) AG	3.8	3.9	4.0	4.4
Eukanuba	Telion AG	3.5	3.6	3.7	3.8
Purina	Nestlé Purina PetCare	3.0	3.2	3.3	3.4
Frolic	Mars Schweiz AG	-	2.0	2.2	2.2
Biomill	Biomill SA	1.0	1.0	1.2	1.5
Perfect Fit	Mars Schweiz AG	-	0.5	0.9	1.3
Beneful	Nestlé Purina PetCare	0.8	1.0	1.0	1.1
Other Private Label	Other Private Label	17.7	18.2	18.4	18.4
Others	Others	22.7	20.8	19.1	18.1

Source: *Euromonitor, 2011.*

CAT FOOD

- Cat are definitely the most popular pet in Switzerland, as 26.1% of all households owned a cat in 2010, compared to 11.9% of households who owned a dog.

- Cat food sales are all expected to increase in terms of volume and value for the forecast period of 2010 to 2015. Wet cat food is also far more popular than dry cat food and treats, with 64% of value sales. However, wet cat food is the only category set to decline in sales value from 2010 to 2015. Although wet cat food is seen as healthier than dry, the convenience factor related to dry cat food has led to a consumer preference and increased sales.

- Although cat treats and mixers are expected to grow in value sales, they will always be less popular than dog treats and mixers.

- Pouches are becoming more popular cat food formats as they are convenient and come in multi-pack varieties. Cat treats are usually used for a specific function in this market such as to prevent tooth decay, reduce hairballs or reduce bad breath, rather than for a simple treat.

- Organic cat food sales are relatively small, much like organic dog food sales. But consumers are expected to purchase more of these products in the near future.

Source: *Shutterstock, 2011*

CAT FOOD (CONTINUED)

- Around 48% of the value sales for all cat food are premium brands, and 60% of all premium brands are wet cat food brands. Premium cat food is much more popular than premium dog food, which only represents 34% of the dog food market. Growth in the cat food market is led by growth in premium as well as private label economy brands. Mid-priced brands in both dog and cat food are continuing to be squeezed out.

Market Value and Volume Sales of Cat Food in Switzerland—Historic and Forecast

	2005	2006	2007	2008	2009	2010	2010-2015 Total Period Growth (%)
Retail Value—US$ Millions—Fixed 2010 Exchange Rates—Current Prices							
Wet Cat Food	176.6	174.1	174.5	175.7	175.1	174.5	-1.3
Dry Cat Food	81.0	83.2	85.2	87.0	87.7	88.4	20.1
Cat Treats and Mixers	6.6	6.9	7.1	7.5	7.8	8.1	42.8
Volume— Tonnes							
Wet Cat Food	29,530.2	29,373.2	29,438.0	29,666.9	29,774.1	29,921.5	0.7
Dry Cat Food	10,812.5	11,034.1	11,240.9	11,490.6	11,706.8	11,880.2	1.9
Cat Treats and Mixers	162.7	166.0	167.5	168.5	166.8	167.1	0.3

Source: *Euromonitor, 2011.*

- The combined private label cat food market share in 2009 was 32%, while another large portion of the market (17.1%) was held by Mars' Whiskas brand. Top private label brands include Exelcat, Selina and Xirah by Migros, as well as Brekkies and Cha-cha-cha by Coop. Migros' Xirah brand is actually a premium priced brand, while Selina is a mid-priced brand. Sheba Royan Canin were the clear winners in terms of increases in market share from 2006 to 2009. Both Sheba and Royan Canin recently entered the premium wet cat food market.

Cat Food Top Brand Shares in Switzerland—% Retail Value RSP

Brand	Company	2006	2007	2008	2009
Whiskas	Mars Schweiz AG	-	17.0	17.2	17.1
Brekkies	Coop Genossenschaft	8.9	8.9	8.8	8.9
Exelcat	Migros	9.0	8.9	8.7	8.6
Felix	Nestlé Purina PetCare	5.6	5.5	5.6	5.7
Hill's Science Plan	Provet AG	4.4	4.5	4.5	4.6
Selina	Migros	4.5	4.5	4.4	4.4
Cha-cha-cha	Coop Genossenschaft	4.3	4.2	4.2	4.2
Xirah	Migros Genossenschaftsbund eG	4.2	4.0	4.0	4.1
Sheba	Mars Schweiz AG	-	3.7	3.7	3.7
Friskies	Nestlé Purina PetCare	3.8	3.7	3.6	3.5
Kitekat	Mars Schweiz AG	-	2.7	2.5	2.4
Royal Canin	Royal Canin (Schweiz) AG	1.6	1.7	1.8	2.3
Gourmet	Nestlé Purina PetCare	2.3	2.3	2.3	2.1
Iams	Telion AG	1.4	1.5	1.6	1.6
Purina	Nestlé Purina PetCare	1.1	1.1	1.1	1.1
Other Private Label	Others Private Label	1.7	1.7	1.8	1.8
Others	Others	47.2	24.1	24.2	23.9

Source: *Euromonitor, 2011.*

OTHER PET FOOD

- Other pet food value sales represented 12.8% of the total Swiss pet food market in 2010. Small mammal and reptile food had the largest market share in the other pet food market and is expected to have the healthiest growth from 2010 to 2015. Bird food sales have declined and are expected to continue to decline for the forecast period in both value and volume.

- Much like trends in cat food, consumers are demanding premium and super premium products in the other pet food market. New product entrants in the other pet food segment are usually functional and provide health and wellness benefits. Nutritional content is now being included on product packaging.

- The market for other pet foods is expected to become increasingly polarized between premium and economy brands. Most small mammal, fish, bird and reptile foods are sold in food retailers such as supermarkets, and a slightly smaller percentage in pet stores.

Market Value and Volume Sales of Other Pet Food in Switzerland—Historic and Forecast

	2005	2006	2007	2008	2009	2010	2010-2015 Total Period Growth (%)
Retail Value—US$ Millions—Fixed 2010 Exchange Rates—Current Prices							
Small Mammal/reptile Food	24.7	25.5	26.3	27.5	28.0	28.5	10.6
Bird Food	24.9	23.9	23.1	22.6	22.0	21.7	-3.8
Fish Food	13.4	13.2	13.3	13.4	13.6	13.8	10.7
Volume— Tonnes							
Small Mammal/reptile Food	2,486.6	2,566.8	2,634.9	2,734.9	2,770.0	2,813.3	2.5
Bird Food	2,958.0	2,836.8	2,768.1	2,712.8	2,639.3	2,597.6	-1.1
Fish Food	338.0	338.3	341.4	343.9	347.6	354.4	1.6

Source: *Euromonitor, 2011.*

- Vitakraft is the top brand in both the small mammal/reptile and bird food markets. The company held 32.8% of the market in 2009 for bird food and 28.3% of the market for small mammal/reptile food. Private label brands hold significant market shares in the other pet food market. Migros and Coop are the main private label providers. However, the increasing number of pet superstores such as Fressnapf and Qualipet are expected to reduce the market share of private label brands.

Bird Food Brand Shares in Switzerland— % Retail Value RSP

Brand	Company	2006	2007	2008	2009
Vitakraft	Vitakraft Schweiz AG	30.9	31.2	32.4	32.8
Happy Bird	Migros Genossenschaftsbund eG	18.4	18.1	17.9	17.6
Vitobel	Migros Genossenschaftsbund eG	8.0	8.2	8.2	8.3
Kanarien Coop	Coop Genossenschaft	6.7	6.5	6.4	6.3
Others	Others	36.1	36.0	35.0	35.0

Source: *Euromonitor, 2011.*

Small Mammal/Reptile Brand Shares in Switzerland—% Retail Value RSP

Brand	Company	2006	2007	2008	2009
Vitakraft	Vitakraft Schweiz AG	27.8	27.9	28.2	28.3
Private label	Private Label	27.4	27.5	27.9	27.9
Others	Others	44.8	44.6	43.9	43.8

Source: *Euromonitor, 2011.*

OTHER PET FOOD (CONTINUED)

- Vitakraft is also a key player in the fish food market, holding an 8.9% market share in 2009, while Tetra Min was the top brand

Fish Food Brand Shares in Switzerland — % Retail Value RSP

Brand	Company	2006	2007	2008	2009
Tetra Min	Tetra Werke GmbH	43.3	43.5	43.6	43.7
Sera	Sera Italia SpA	32.9	33.0	33.1	33.1
Vitakraft	Vitakraft Schweiz AG	8.8	8.9	8.9	8.9
Novo	JBL GmbH & Co KG	8.8	8.6	8.5	8.5
JBL Premium	JBL GmbH & Co KG	5.8	5.6	5.5	5.5
Others	Others	0.4	0.4	0.3	0.3

Source: *Euromonitor, 2011.*

NEW PET FOOD PRODUCTS

- From January 2008 until April 2011, a total of 76 new dog and cat food products were introduced in the Swiss market, of which 50 were cat food products. A breakdown of the 2010 new product launches by sub-category illustrates that dry cat food had the most launches with 13, followed by wet cat food with 12 new product introductions.

Types of New Dog and Cat Food Products Entering the Swiss Retail Market

Sub-Category	2008	2009	2010	2011*	Total
Cat Food Dry	0	1	13	1	15
Cat Food Wet	0	9	12	8	29
Cat Snacks & Treats	0	3	3	0	6
Dog Food Dry	1	0	0	0	1
Dog Food Wet	0	3	4	2	9
Dog Snacks & Treats	4	2	7	3	16
Total # of Products	**5**	**18**	**39**	**14**	**76**

Source: *Mintel, 2011.* **Note: 2011 data is until April 2011*

- The most popular claim on cat and dog food products is convenient packaging, followed by premium, no additives/ preservatives, and teeth and tartar prevention. A total of 16 of the 22 convenient packaging claims were from cat food products, and 14 of the 18 premium claims were from cat food products.

Top 10 Claims on Packaging for New Dog and Cat Food Products Entering the Swiss Retail Market

Claims	2008	2009	2010	2011*	Total Claims
1. Not Specified	4	5	9	9	27
2. Convenient Packaging	0	4	17	1	22
3. Premium	0	0	18	0	18
4. No Additives/Preservatives	0	3	9	1	13
5. Teeth & Tartar Prevention (Functional Pet)	1	3	5	2	11
6. Digestion & Urinary Tract (Functional Pet)	0	1	8	0	9
7. Skin & Coat (Functional Pet)	0	2	4	0	6
8. Vitamin/Mineral Fortified	1	4	1	0	6
9. Immune System (Functional Pet)	0	1	2	1	4
10. Other (Functional Pet)	0	1	2	0	3
Other Claims	1	3	9	5	18
Total Number of Claims	**7**	**27**	**84**	**19**	**137**

Source: *Mintel, 2011.* **Note: 2011 data is until April 2011*

NEW PET FOOD PRODUCTS (CONTINUED)

- Teeth and tartar protection is the most popular claim for dog snacks and treats with a total of 7 product claims, followed by convenient packaging with 6, and no additives also with 6.

- Mars introduced 17 new products into the Swiss market from January 2008 to April 2011. Migros, a retailer, introduced 16 dog and cat food products. Mars also had the most product introductions within the dog treats market with 4 new products from January 2008 until April 2011. Aldi and Eukanuba tied for second place with 3 products each. Other companies for dog treats included Migros, Nestle Purina, Spar and Delipet.

Top 10 Companies with New Dog and Cat Food Products Entering the Swiss Retail Market

Company	2008	2009	2010	2011*	Total
1. Mars	0	9	6	2	17
2. Migros	0	4	9	3	16
3. Meiko Heimtierbedarf	0	0	11	0	11
4. Nestlé Purina PetCare	1	1	6	0	8
5. Animonda Petfood	0	0	0	8	8
6. Crown Pet Foods	0	4	0	0	4
7. Aldi	4	0	0	0	4
8. Eukanuba	0	0	3	0	3
9. Procter & Gamble	0	0	1	0	1
10. Saturn Petfood	0	0	1	0	1
Other	0	0	2	1	3
Total # of Products	**5**	**18**	**39**	**14**	**76**

Source: *Mintel, 2011.* *****Note:*** *2011 data is until April 2011*

- The most popular packaging type for wet cat food are trays, with 11 new introductions out of the 29 new cat food products entering the market from 2008 until April 2011. Flexible stand-up pouches for wet cat food come in a close second with 9 product introductions. All dog treats were sold in flexible plastic formats such as pouches, bags and sachets, wet dog food was mostly sold in trays, dry cat food in flexible stand-up pouches, and the only dry dog food introduction on the market was sold in a bag.

- New dog treat introductions from January 2008 to April 2011 were sold in a variety of sizes, ranging from 20 grams to 700 grams. Most wet cat food was sold in 100 gram and 85 gram formats, while most wet dog food was sold in 300 gram formats. Cat treats were usually sold in a variety of small formats ranging from 6 grams to 36 grams.

- The following are examples of new products that have entered the Swiss dog and cat food market (including treats) from 2008 until 2011.

Purina One Natural Balance
Company: Nestlé Purina PetCare
Brand: Purina One Natural Balance
Store Name: Coop
Store Type: Supermarket
Date Published: Dec. 2010
Pack Size: 800g
Price in local currency: CHF11.25
Major Currencies: US$11.41

Source: *Mintel, 2011*

Product Description
Purina One Natural Balance Active Microflora Lachs & Thunfisch Cat Food (Salmon and Tuna Cat Food with Active Microflora) contains endive roots, which are a natural source of soluble fibre that helps the stomach flora.

Ingredients
Salmon (17%), dehydrated poultry proteins, corn, wheat, corn gluten flour, brown rice (min.4%), dehydrated tuna fish (min.4%), oats (min.4%), animal fat, wheat gluten flour, endive roots (min.0.5%), wheat flour, yeast autolysate, potassium chloride, soya oil, mineral ingredients, yogurt powder (0.2%), natrium chloride, DL-methionine, L-lysine, black currant powder (0.1%).

NEW PET FOOD PRODUCTS (CONTINUED)

Mini Bones With Beef
Company: Mars
Brand: Pedigree Jumbone
Store Name: Coop
Store Type: Supermarket
Date Published: Feb. 2011
Pack Size: 180g
Price in local currency: CHF3.30
Major Currency: US$3.34

Description
Pedigree Jumbone Mini Rind (Mini Bones with Beef) are dog treats for adult dogs containing vitamins, calcium and omega 3. The product contains less than 2% of fat and is retailed in a 180g resealable pack with 4 bones. Also available is Medium Rind (Medium Bones with Beef).

Ingredients
Cereal, sugar, minerals, vegetable by-products, meat and animal by-products (min. 4% beef)

Source: *Mintel, 2011*

Beef Sticks
Company: Spar
St. Gallen, 9015, Switzerland
Brand: Scotty(Private Label)
Date Published: Apr. 2010
Pack Size: 20g
Price in local currency: CHF0.95
Major Currencies: US$0.90

Product Description
Scotty Beefstick mit Rind (Beef Stick) is described as a nutritional snack for dogs. The product contains no colourants and is retailed in a 20g pack with two sticks inside.

Ingredients
Meat and animal by-products (beef (>50%), vegetable by-products, mineral ingredients, additional ingredients with preservatives (some additional ingredients)

Source: *Mintel, 2011*

Cat Food with Poultry & Heart
Company: Mars
Brand: Whiskas Senior 8+
Store Name: Coop
Store Type: Supermarket
Date Published: Dec. 2010
Pack Size: 100g
Price in local currency: CHF0.90
Major Currencies: US$0.91

Ingredients
Meat, animal by-products (meat [min.60%], whole poultry [min.4%], heart [min.4%]), mineral matter, plant by-products

Source: *Mintel, 2011*

DISTRIBUTORS/IMPORTERS

The following are some pet food importers and distributors in Switzerland:

- Dima Import Ag, phone: +41-61-4818193 - Import, export and distribution of pet foods
- Erbo Ag, phone: +41-62-9588888 - Import, export, distribution and production of pet products
- Amedis-ue Se, phone: +41-21-6943100 - Import, export, distribution, and production of pet products
- Biomill SA, phone: Import, export, distribution and production of pet products
- Delphin Amazonia Ag, phone: +41-61-4161010: Import, export, distribution and production of pet products
- Biomill Sa, phone, +41-26-6685230: Import and distribution of pet food
- Diamed Ag, phone, +41-26-6745111: Export and import of pet food
- Gurit-heberlein Ag, +41-71-9871010: Import, export, distribution and production of pet products
- Lonza Ag, +41-61-3168645: Import and export of pet food

Source: *www.petproducts1.com*

KEY RESOURCES

Agriculture and Agri-Food Canada. (July 14, 2009). "Canada-European Free Trade Association Free Trade Agreement." Retrieved on May 17, 2011 from http://www.agr.gc.ca/itpd-dpci/ag-ac/4782-eng.htm.

Euromonitor (Aug 24, 2010). "Cat Food– Switzerland." Retrieved on May 12, 2011 from https://www.euromonitor.com/

Euromonitor (Aug 24, 2010). "Dog Food– Switzerland." Retrieved on May 12, 2011 from https://www.euromonitor.com/

Euromonitor (Aug 24, 2010). "Other Pet Food- Switzerland." Retrieved on May 12, 2011 from https://www.euromonitor.com/

EUROPA (April 3, 2011) "Third Country Establishments List." Retrieved on May 24, 2011 from http://ec.europa.eu/food/food/biosafety/establishments/third_country/index_en.htm

European Free Trade Association (2011) "Canada-EFTA Free Trade Agreement." Retrieved on May 19, 2011 from http://www.efta.int/free-trade/free-trade-agreements/canada.aspx

Global Trade Atlas Retrieved on May 16, 2011 from http://www.gtis.com/gta/

Mintel GNPD (2011) Retrieved on May 16, 2011 from https://www.mintel.com/

Planet Retail (2011) Retrieved on May 16, 2011 from http://www1.planetretail.net/

Swiss Confederation, Federal Veterinary Office. "Aliments pour animaux familiers (à partir de mars 2011)" Retrieved on May 12, 2011 from http://www.bvet.admin.ch/ein_ausfuhr/03719/03734/index.html?lang=fr

Swiss Confederation, Federal Veterinary Office. "Animal by-products from third countries: valid from March 2011". Retrieved on May 13, 2011. from http://www.bvet.admin.ch/ein_ausfuhr/03719/index.html?lang=en

Swiss Confederation, Swiss Federal Customs Administration. "Customs Tariff– Tares." Retrieved on May 17, 2011 from http://www.ezv.admin.ch/zollinfo_firmen/abfertigungshilfen/00378/index.html?lang=en

GLOSSARY OF RETAIL TYPES

The following are definitions of retail formats for the table on page 5 of this report:

Cash & Carry: membership-based wholesale format intended for resellers and commercial customers.
In the food retail sector, this is usually a source for independent shop operators. Customers serve themselves as in a supermarket and pay for their merchandise at the checkout (unlike delivered wholesale, where merchandise is brought to the customer). In many countries, cash & carry outlets also sell to private consumers (e.g. Metro/Makro).

Convenience Store: small self-service food shop with particularly long opening hours and a noticeable focus on convenience items, such as ready meals and fast food. In addition, regular food items and a small choice of non-food products are sold. Often located at petrol stations (e.g. Wawa, Sheetz, 7-Eleven).

Delivered Wholesale: denotes the supply of both food and non-food products by lorry to retail and foodservice customers (unlike cash & carry, where customers pick up their goods at the wholesale outlet).

Department stores (with food hall): outlet with a wide product offering, including categories such as clothing, household goods, furniture, stationery, electronics, toys, health and beauty and groceries. These stores offer a distinct area (often a separate floor) devoted to grocery categories (e.g. Lotte).

Discount Store: efficiency-based food outlet selling a small number of items in vast quantities, often trading from roughly 1,000 square metres. Especially strong in Europe, where the concept originated (Germany). (e.g. Aldi, Lidl, Save-A-Lot).

Discount Superstore: large format (2,500 square metres-plus) general merchandise superstore that carries a wide assortment of non-foods, general merchandise, health & beauty products and groceries. Grocery can account for around 30-40% of the range (e.g. Walmart, Kmart).

Drugstore: outlet specializing in body care items, toiletries, household cleaners, baby care and pet care. In many countries, drugstores are also allowed to sell over-the-counter drugs (e.g. Schlecker).

Drugstore/pharmacy: as above, but with the addition of a pharmacy counter (e.g. Walgreens).

E-commerce: transactional websites operated by companies which offer products for home delivery or collection at their outlets.

Forecourt Store: convenience outlet located at a petrol station. Often operated in a joint venture between an oil company and a grocery retailer (e.g. Shell, On the Run, Valero).

Hypermarket: self-service store with a sales area of more than 5,000 square metres, offering both a comprehensive food range and a wide choice of non-food items. (e.g. Carrefour, Walmart Supercenter).

Hypermarkets & superstores: many retailers operate chains of grocery stores that trade through a wide variety of sales areas both above and below 5,000 square metres. Where this is the case – and where the retailer does not provide any clarity on the precise number of stores in either category – Planet Retail has collated these stores into one grouping: hypermarkets & superstores (e.g. Whole Foods Market).

Neighbourhood Store: small food outlet selling from less than 400 square metres. Often, neighbourhood stores are similar to supermarkets, but there is also a non-self service version (e.g. SPAR).

Pet shops: stores selling a wide mix of food, equipment and supplies for household pets as well as live pets themselves. Included within grocery due to the high participation of pet food and animal feed in the merchandise mix (e.g. PetSmart, Fressnapf).

Petrol Station: retail site selling fuel with a non-existent or limited retail offer.

Supermarket: self-service store with a largely grocery offering, ranging from 400 to 2,500 square metres. Depending on individual store sizes, there are also non-food items available (e.g. Trader Joe's, Champion).

Superstore: self-service store with a sales area of between 2,500 and 5,000 square metres. As with hypermarkets, superstores offer a comprehensive food range, but due to their smaller sales area, their non-food offerings are generally more limited than in a hypermarket (e.g. Tesco).

CONTACTS AND OTHER REPORTS

Contact Information for the Canadian Trade Commissioner in Switzerland

The Canadian Embassy in Switzerland
Kirchenfeldstrasse 88
CH-3005 Berne, Switzerland
Tel.: 41/31 3573200
Fax: 41/31 3573210
E-mail: bern@international.gc.ca

Hours of Operation
Monday to Thursday: 08:00 - 12:00 and 13:00 - 17:00
Friday: 08:00 - 13:30
Consular opening hours: 1:00pm to 5:00pm Monday to Thursday and from 8:00 to 12:00 on Fridays.

For information on other pet food markets, please consult the following reports:

International Markets Bureau

"Consumer Trends: Pet Food in Italy," August, 2011

"Consumer Trends: Pet Food in Canada," July 2011

"Consumer Trends: Pet Food in Germany," April, 2011.

"Consumer Trends: Pet Food in Morocco," January 2011.

"Consumer Trends: Pet Food in Mexico," December 2010.

"United Kingdom: Pet Food Sector," September 2010.

Consumer Trends: Pet Food in Switzerland

ISSN 1920-6615 Market Indicator Report
AAFC No. 10724E

Photo Credits

For additional copies of this publication or to request an alternate format, please contact:
Agriculture and Agri-Food Canada
1341 Baseline Road, Tower 5, 4th floor
Ottawa, ON
Canada K1A 0C5
E-mail: infoservice@agr.gc.ca

Aussi disponible en français sous le titre :
Tendances de consommation : Marché suisse des aliments pour animaux de compagnie

Canada