

IMPORT PROFILE

Investment Opportunities

DINNERS, PRE-COOKED, FROZEN

Pub. No: 59-86

May 1986



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of Canada

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Regional Industrial
Expansion

Expansion industrielle
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DINNERS, PRE-COOKED, FROZEN

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OR

The nearest DRIE Regional Office.
These offices are listed on the last
page of this publication.

REFERENCE SOURCES

Department of Regional Industrial Expansion
Statistics Canada
Revenue Canada
Supply and Services Canada

EXPLANATORY NOTES

Valuation

Imports are generally recorded at the values established for customs duty purposes according to the provisions of the Customs Act. Customs values are identical to selling prices for most transactions between non-affiliated companies, but customs values exceed selling prices for many transactions between affiliated companies. All values are reported in Canadian dollars and do not include duty.

Average Growth Rate

Growth rates are calculated on the basis of annual compounding.

Rounding

Figures may not add due to rounding.

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CANADIAN MARKET OPPORTUNITIES - IMPORT PROFILE

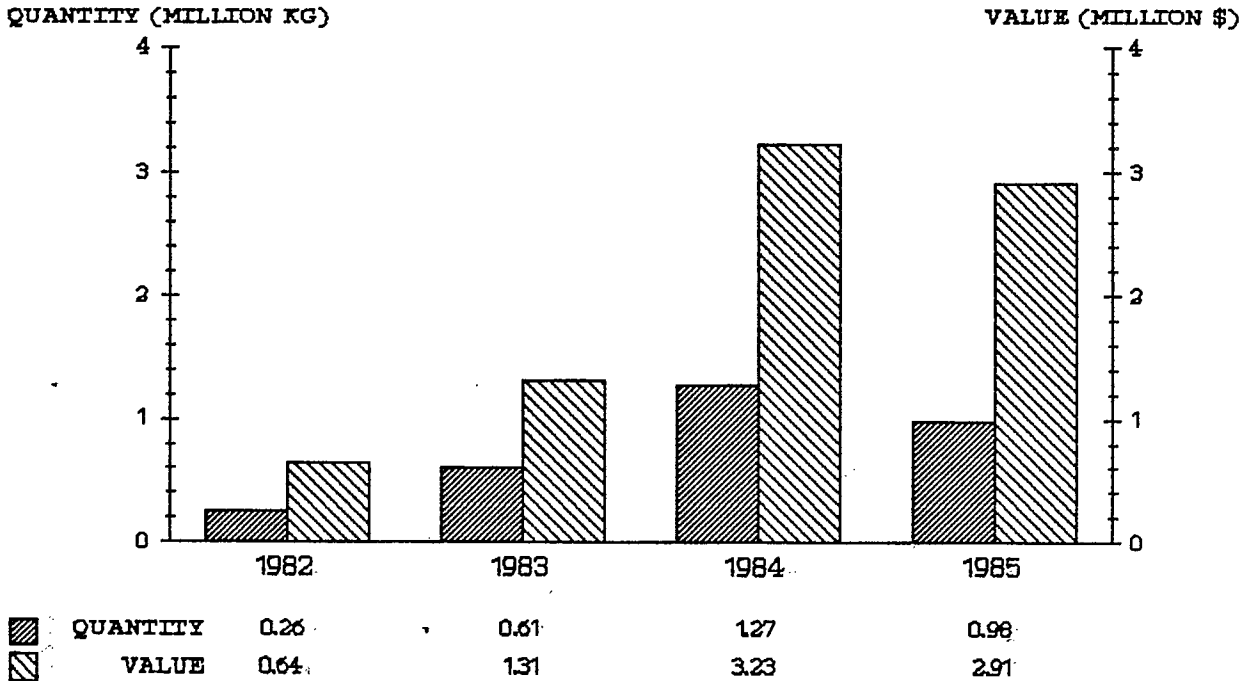
DINNERS, PRE-COOKED, FROZEN

INTRODUCTION AND SCOPE

This report is one of a continuing series designed to increase business awareness of the potential existing for domestic production and to stimulate Canadian business to further explore potential opportunities in both the Canadian and export markets. It is important to emphasize that this report does not attempt any assessment as to the feasibility of manufacturing or competing in a particular market and should be treated as an indicator or starting point for the manufacturer or entrepreneur.

This import class consists of pre-cooked frozen dinners, such as fish and chips, shellfish dinners, fish dinners, chicken dinners, meat dinners, poultry dinners and macaroni and cheese dinners.

IMPORT TRENDS: OVERVIEW



IMPORTS BY MAJOR FOREIGN COUNTRY OF EXPORT

DINNERS, PRE-COOKED, FROZEN

<u>Foreign Country of Export</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Unit Price 1985</u> \$	<u>Average Annual Growth Rate 1982-1985</u> %	<u>Per cent Change 1984-1985</u> %
UNITED STATES							
Quantity (000 KG.)	248	587	1 254	963	2.95	57	-23
Quantity (000 LB.)	547	1 294	2 764	2 124	1.34	57	-23
Value (\$000)	609	1 224	3 162	2 845		67	-10
DENMARK							
Quantity (000 KG.)	6	16	13	13	3.92	29	0
Quantity (000 LB.)	14	35	29	30	1.72	29	0
Value (\$000)	22	64	59	51		32	-14
OTHER							
Quantity (000 KG.)	5	5	3	3	3.33	-16	0
Quantity (000 LB.)	11	12	6	6	1.80	-16	0
Value (\$000)	7	18	10	10		13	0
TOTAL							
Quantity (000 KG.)	259	608	1 270	979	2.97	56	-23
Quantity (000 LB.)	572	1 341	2 799	2 159	1.35	56	-23
Value (\$000)	638	1 306	3 231	2 906		66	-10
UNIT PRICE (\$/KG)	2.46	2.15	2.54	2.97			

Imports of pre-cooked frozen dinners were almost one million kilograms in 1984, 4 times the 1982 imports of 259 000 kilograms. The volume increased each year except for a slight decline in 1985. Value of these imports increased accordingly.

Average unit price per kilogram has increase slightly to \$2.97 from \$2.54 in the previous year.

The United States is the dominant supplier of imports at 98 per cent of totals in 1985.

IMPORT DATA TRENDS - IMPORT COMMODITY CODE 143-20

DINNERS, PRE-COOKED, FROZEN

<u>Code</u>	<u>Commodity</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>Average Annual Growth Rate 1982-1985</u> %	<u>Major Country of Export 1985 Value</u> (\$000)
1432020	Dinners, Fish, Pre-Cooked, Frozen						
	Quantity (000 KG.)	28	37	131	83	44	UNITED STATES
	Quantity (000 LB.)	61	82	289	183	44	
	Value (\$000)	67	134	434	189	41	132
1432050	Dinners, Meat, Pre-Cooked, Frozen						
	Quantity (000 KG.)	161	259	805	785	69	UNITED STATES
	Quantity (000 LB.)	356	571	1 775	1 732	69	
	Value (\$000)	434	591	2 037	2 504	79	2 504
1432090	Dinners, Pre-Cooked, Frozen not elsewhere specified						
	Quantity (000 KG.)	70	312	334	111	16	UNITED STATES
	Quantity (000 LB.)	155	688	736	244	16	
	Value (\$000)	137	581	761	212	16	209
<hr/>							
Total							
	Quantity (000 KG.)	259	608	1 270	979	56	UNITED STATES
	Quantity (000 LB.)	572	1 341	2 799	2 159	56	
	Value (\$000)	638	1 306	3 231	2 905	66	2 845

Market shares by type fluctuate considerably, but meat dinners have held 43 to 86 per cent of the total imports since 1982 with average annual growth rates showing considerable increase. The United States accounted for all the meat and the majority of miscellaneous dinners in 1985, as well as for 70 per cent of imports of fish dinners.

IMPORT MARKET CONCENTRATION
(BY % OF TOTAL 1984 VALUE)

<u>Top 5</u> <u>Importers</u>	<u>Top 10</u> <u>Importers</u>
99	100

The 10 top importers accounted for 100 per cent of the total imports for 1984. Of the 10 firms, five were located in Ontario and three were non-resident importers.

NOTE: "Top importers" are the known importers with the largest imports by value in 1984.

TYPE AND LOCATION OF THE 10 TOP KNOWN IMPORTERS - 1984
(100% OF TOTAL IMPORT VALUE)

	<u>RETAILERS</u> <u>WHOLESALEERS</u> <u>AND</u> <u>MANUFACTURERS</u>		<u>OTHER (1)</u>		<u>TOTAL</u>	
	<u>No. of</u> <u>Importers</u>	<u>Value</u> <u>(\$000)</u>	<u>No. of</u> <u>Importers</u>	<u>Value</u> <u>(\$000)</u>	<u>No. of</u> <u>Importers</u>	<u>Value</u> <u>(\$000)</u>
	Ontario					
Québec	6*	2 707*	4*	525*	10*	3 232*
Western Provinces						
<hr/> TOTAL	6	2 707	4	525	10	3 232
<hr/>						
Per cent of 1984 total value		84%		16%		100%

* Ontario, Québec and Western Provinces aggregated to preserve confidentiality.

(1) Includes non-resident importers.

CANADIAN PRODUCTION

There are at least 56 frozen food packers in Canada of which 10 are involved in the processing of frozen prepared meals. Statistics Canada reports that shipments of pre-cooked frozen dinners were \$42.6 million in 1983, the latest year for which information is available. Frozen specialty dinners (Chinese, Italian, etc.) amounted to \$10.9 million and pre-cooked frozen complete dinners (meat, poultry, or fish with vegetables) \$31.7 million in 1983.

EXPORTS

Statistics Canada reports that exports of pre-cooked and frozen dinners and food preparations during 1985 amounted to 7.3 million kilograms for a value of \$26.9 million (includes pre-cooked frozen dinners, fruit pies, meat pies, fowl and meat portions, and vegetables exported as part of a shipment of frozen dinners). Exports of pre-cooked frozen dinners are not reported separately.

MARKET SUMMARY

There are approximately 56 frozen food packers in Canada of which 10 are involved in the processing of frozen prepared meals.

The frozen prepared meal market in Canada is divided into two categories; single serving premium meals and single serving non premium meals which may consist of two or more compartments containing meat, poultry, vegetables, gravy, dessert or other ingredients.

Market growth for traditional frozen dinners has been somewhat stagnant, but the advent of premium priced, minimum calorie, frozen single prepared meals has created a new consumer awareness for this category, and meets the demand by consumers for such products. Convenience and the introduction of microwave ovens have further spurred demand.

The demographics are favourable to frozen food as 50 per cent of the country's households consist of one or two persons. Microwave ovens are now in more than one million homes, and purchases of these appliances in 1985 were 45 per cent above those for 1984.

The premium-priced frozen prepared meals tend to carry a higher margin relative to dry groceries, so retailers realize a better return on merchandising these products.

One area with potential is ethnic-type meals. This is of particular interest to the specialty food processors, particularly for those companies that are producing Oriental and Mexican Style foods. Longer term prospects for these foods (as well as for products that have a Southeast Asian cuisine, such as Thai and Vietnamese food), appear good.

This report was prepared by:

the Market Development Branch
in collaboration with the
Grocery Products Division,
Food & Consumer Products Industry Branch.

DEPARTMENT OF REGIONAL INDUSTRIAL EXPANSION

APPENDIX A

CANADIAN TARIFFS, 1986

Tariff Item	Description	% of Total Import Value (1984)	TARIFF TREATMENT				
			British Prefer- ential Tariff %	U.K. and Ireland %	Most Favoured Nation Tariff %	General Tariff %	General Prefer- ential Tariff %
9025-01	Vegetable pastes and hash and all similar products composed of vegetables and meat or fish, or both, n.o.p.	82	7.5	17.5	17.5	35	-

N.o.p. - Not otherwise provided for

Tariff Arrangements and Foreign Countries of Export:

MOST FAVOURED NATION : UNITED STATES, DENMARK

ENQUIRIES CONCERNING TARIFFS SHOULD BE DIRECTED TO THE NEAREST CUSTOMS AND EXCISE OFFICE OR TO:

TARIFF PROGRAMS
REVENUE CANADA
CUSTOMS AND EXCISE
OTTAWA, ONTARIO
K1A 0L5
TEL: (613) 996-9480

CANADIAN IMPORTERS

Importers of Dinners, Pre-Cooked, Frozen, inclusive during the period January to December 1984 are listed in alphabetical order.

<u>Name</u>	<u>Address</u>
Economics Laboratory Canada	Toronto, Ont.
Finlay Greenwood Inc.	Hamilton, Ont.
Kibun Co. (Canada) Ltd.	Vancouver, B.C.
King Shrimp Co. Inc.	Brunswick, GA, USA*
Lifestream Natural Foods Ltd.	Richmond, B.C.
Marks & Spencer Canada Inc.	Mississauga, Ont.
Matthew McAvan Enterprises Ltd.	Mississauga, Ont.
Nestle Division of Nestle Enterprises Ltd.	Don Mills, Ont.
Ruiz Food Products Inc.	Tulare, CA, USA*
Variety Seafoods Inc.	Tampa, FL, USA*

*non-resident importer

For more information please contact the nearest DRIE Regional Office

Newfoundland
P.O. Box 8950
Parsons Building
90 O'Leary Avenue
St. John's, Newfoundland
A1B 3R9
Tel: (709) 772-4884

Prince Edward Island
P.O. Box 1115
Confederation Court Mall
134 Kent Street, Suite 400
Charlottetown, Prince Edward Island
C1A 7M8
Tel: (902) 566-7400

Nova Scotia
P.O. Box 940, Station M
1496 Lower Water Street
Halifax, Nova Scotia
B3J 2V9
Tel: (902) 426-2018

New Brunswick
P.O. Box 1210
Assumption Place
770 Main Street
Moncton, New Brunswick
E1C 8P9
Tel: (506) 867-6400

Québec
C. P. 247
Tour de la Bourse
800, Place Victoria, Bureau 3800
Montréal (Québec)
H4Z 1E8
Tel: (514) 283-8186

Ontario
P.O. Box 98
1 First Canadian Place, Suite 4840
Toronto, Ontario
M5X 1B1
Tel: (416) 365-3821

Manitoba
P.O. Box 981
330 Portage Avenue
Room 608
Winnipeg, Manitoba
R3C 2V2
Tel: (204) 949-6182

Saskatchewan
Canada Building
6th Floor, 105-21st Street East
Saskatoon, Saskatchewan
S7K 0B3
Tel: (306) 975-4400

Alberta
Cornerpoint Building
10179 - 105th Street, Suite 505
Edmonton, Alberta
T5J 3S3
Tel: (403) 420-2944

British Columbia
P.O. Box 49178
Bentall Postal Station
Bentall Tower IV
1101 - 1055 Dunsmuir Street
Vancouver, British Columbia
V7X 1K8
Tel: (604) 661-0434

Yukon
Suite 301
108 Lambert Street
Whitehorse, Yukon
Y1A 1Z2
Tel: (403) 668-4655

Northwest Territories
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Precambrian Building
Yellowknife, Northwest Territories
X1A 1C0
Tel: (403) 920-8668 or 920-8671