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IMPORT ANALYSIS

Market Research Support

WOOD CHARCOAL

JANUARY TO JUNE 1986

Pub. No.: 87019-PM January 1988



Government
of Canada

Regional Industrial
Expansion

Gouvernement
du Canada

Expansion industrielle
régionale

Canada

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EXPLANATORY NOTES

Method

The data shown in this analysis is extracted from Revenue Canada Customs documents. These documents provide a description of the products, names of importers, exporters, quantities, dollar values, unit prices, countries of origin, provinces of entry, tariff applications and rates of exchange.

The information presented in this report is more detailed than that generally available from Statistics Canada or other publications. Data which might reveal information about individual importers is aggregated.

Valuation

Dollar values shown in this report are based on selling price F.O.B. plant, in Canadian dollars. This selling price represents the value paid by the importer, excluding all freight, packing and insurance costs when specified. All trade discounts, when applicable, are also deducted from the selling price.

Rounding

Figures may not add due to rounding.

REFERENCE SOURCES

Department of Regional Industrial Expansion
Statistics Canada
Revenue Canada

FOR MORE INFORMATION PLEASE CONTACT:

Market Information and Analysis Division
Market Development Branch
Department of Regional Industrial Expansion
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 954-4970

OR

Converted Wood and Paper
Products Division
Resource Processing Industries Branch
Department of Regional Industrial
Expansion
235 Queen Street
Ottawa, Ontario
K1A 0H5
Tel: (613) 954-3029

OR

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

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IMPORT ANALYSIS

WOOD CHARCOAL

I. INTRODUCTION AND SCOPE

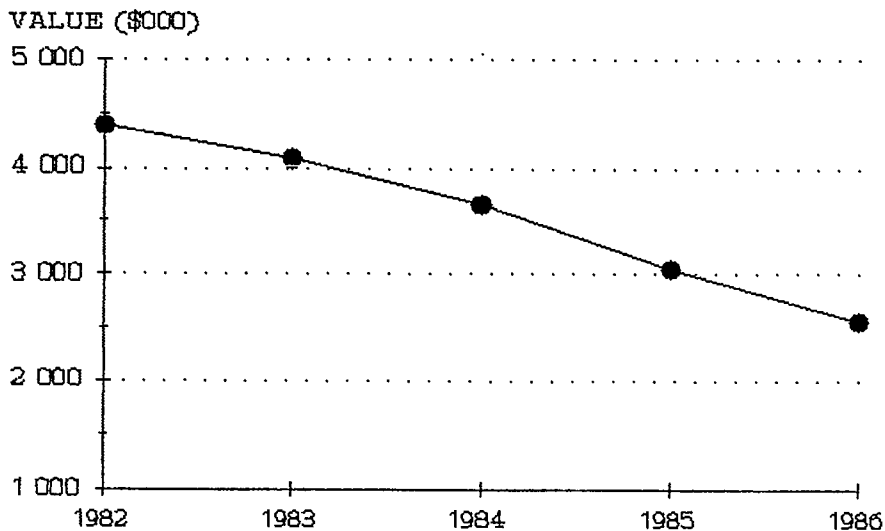
This Import Analysis is one of a series prepared in order to assist businesses and other organizations in their market research of specific products. The detailed import information provided in these reports supports studies by organizations seeking to expand existing production lines, change individual product characteristics or engage in new manufacturing investment in Canada. The coverage of an import analysis is developed in close consultation with the client, and is tailored to meet those specific requirements. It is important to emphasize that this report does not attempt any assessment as to the feasibility of competing in a particular market.

This analysis of imports of wood charcoal is based on a detailed examination of Revenue Canada Customs import documents for the period January to June 1986. Imports classified to the following Canadian International Trade Classification (C.I.T.C.) import commodity codes were analysed: 339-91-20 Charcoal, Powdered/Wood/Not Activated, 339-91-30 Charcoal, Granulated or Chunks/Wood/Not Activated, 339-91-40 Charcoal, Briquettes/Wood/Not Activated, 339-91-90 Charcoal, Vegetable origin/Not Activated, (Not Elsewhere Specified)

Total figures in this report do not correspond to Statistics Canada published figures. The differences are explained in Appendix G.

II. IMPORT TRENDS 1982-1986
(\$000)

<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>	<u>1986</u>	<u>Average annual Growth rate %</u>	<u>% Change 1985-1986</u>
4 394	4 082	3 653	3 040	2 554	-13	-16



Between 1982 and 1986 the imports of wood charcoal declined steadily from \$4.4 million to \$2.6 million.

III. ANALYSIS OF IMPORTS

During 1986 the total imports of all types of wood charcoal was valued at \$2.6 million. The imports covered in this analysis for January to June 1986 amounted to \$1.8 million.

As shown below, ninety-nine per cent of all types of wood charcoal as analysed in this report were imported in bags containing briquettes. The most popular bag size was 10 pounds accounting for 4.1 million pounds valued at \$529 000 (or 39 per cent and 30 per cent respectively of the total imports of briquettes).

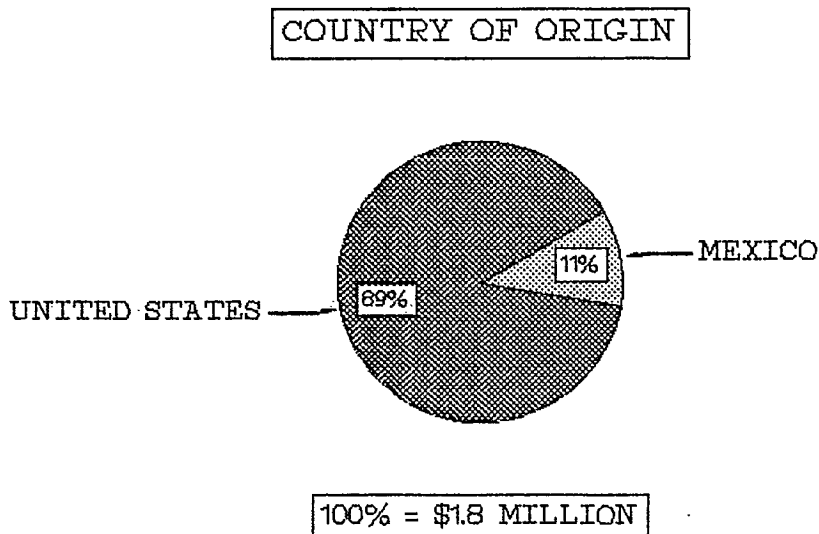
The average price of all types of wood charcoal was \$0.17 per pound. The popular 10 and 20 pound briquette bags averaged \$0.13 per lb., with most other sizes and types over \$0.20 per lb. Further details are shown in Appendix A.

SUMMARY OF IMPORTS BY TYPE AND BAG SIZE

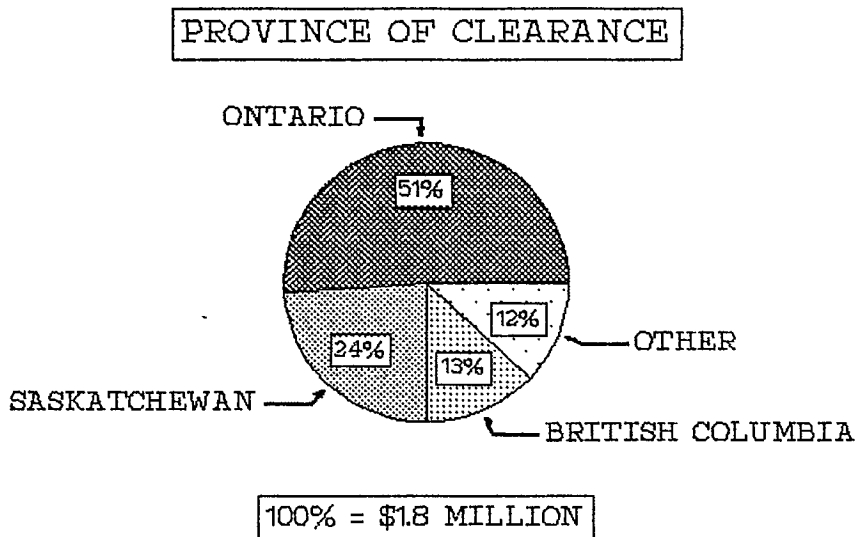
<u>Type</u>	<u>Quantity</u> (000 lb.)	<u>Value</u> (\$000)	<u>Average Price/lb.</u> (\$)
Briquettes:			
Bag Size			
4 and 5 lbs.	2 194	477	.22
10 lbs.	4 137	529	.13
20 lbs.	2 321	326	.14
All other and not known	<u>1 812</u>	<u>460</u>	<u>.25</u>
Total briquettes	10 464	1 792	.17
Powdered and granulated	<u>113</u>	<u>24</u>	<u>.21</u>
TOTAL	10 577	1 817	.17

III. ANALYSIS OF IMPORTS (CONT'D)

The United States was the dominant source of these imports, accounting for 9.8 million pounds valued at \$1.6 million. Mexico accounted for the remaining 800 000 pounds for a value of \$200 000.



Ontario was the major province of clearance representing \$915 395 or 51 per cent of the total value. (For further details see Appendix B).



Other includes Alberta, Manitoba, Québec and New Brunswick.

III. ANALYSIS OF IMPORTS (CONT'D)
IMPORT MARKET CONCENTRATION

There were at least 46 known importers/consignees of wood charcoal during the period of January to June 1986. The principal 10 importers accounted for \$1.6 million or 88 per cent of the total value of imports. (All importers are listed in alphabetical order in Appendix C).

<u>Principal Importers/ Consignees</u>	<u>Cumulative Quantity (000 lb)</u>	<u>Cumulative % of Total Quantity</u>	<u>Cumulative Value (\$000)</u>	<u>Cumulative % of Total Value</u>
3	6 650	63	1 051	58
6	7 813	75	1 396	77
10	9 071	87	1 603	88
20	9 943	95	1 762	97
All Importers/ Consignees (46)	10 481	100	1 817	100

IV. CANADIAN PRODUCTION

According to Statistics Canada, wood charcoal is made in Canada. However, for reasons of confidentiality, data on production or shipments by Canadian manufacturers are not available.

V. MARKET SUMMARY

Wood charcoal has been an important domestic product for many years, particularly when it was used extensively in the metallurgical and chemical industries in Canada. Currently, its major usage is in home and outdoor recreational cooking, although with the introduction of the propane barbeque, domestic consumption has been declining annually. There have also been medical concerns recently over carcinogens produced when wood charcoal is used as a cooking fuel, a problem which has tended to accelerate the downward trend in domestic consumption.

In Canada currently, the industry comprises an estimated 60 companies, the majority of which are small (approx. 95 %), employing less than 10 employees. Total shipments from the sector, which have been relatively steady since the 1970's, are estimated to average some 30 000 to 35 000 tons/year, while exports from the sector are relatively small at less than 5 000 tons annually. As a result, Canadian domestic consumption totals less than 40 000 tons a year when imports of about 10 000 tons are taken into account.

While the opportunities for additional Canadian production, on the surface, would appear to be reasonably good, environmental restrictions on production in Canada and the slowly declining over-all market prospects for the product suggest only marginal opportunities actually exist.

APPENDIX A

IMPORTS OF WOOD CHARCOAL
BY TYPE, BAG SIZE AND AVERAGE UNIT PRICE
JANUARY TO JUNE 1986

<u>Type</u>	<u>Bag Size</u>	<u>Quantity</u> (lbs.)	<u>Value</u> (\$)	<u>Average Price/lb</u> (\$)
Briquettes	4 and 5 lbs.*	2 193 821	477 397	.22
	8 lbs.	515 680	145 423	.24
	10 lbs.	4 136 810	528 648	.13
	20 lbs.	2 320 504	326 067	.14
	35 lbs.	837 480	246 256	.29
	40 lbs.)			
	45 lbs.)*	303 350	50 663	.17
	50 lbs.)			
	Not Known	155 920	17 997	.12
	Sub-total-Briquettes		10 463 565	1 792 451
Powdered and) Granulated)*	5 lbs.) to)* 50 lbs.)	113 000	24 136	.21
Total		10 576 565	1 816 587	.17

* Aggregated in order to preserve confidentiality of Canadian importers.

APPENDIX B

IMPORTS OF WOOD CHARCOAL
BY PROVINCE OF CLEARANCE
JANUARY TO JUNE 1986

	<u>Quantity</u> (lbs.)	<u>Value</u> (\$)	<u>% of Total</u>	
			<u>Quantity</u>	<u>Value</u>
Ontario	6 570 765	915 395	62	51
Saskatchewan	1 629 346	441 807	15	24
British Columbia	1 248 005	244 573	12	13
Alberta	812 494	151 750	8	8
Manitoba	295 305	56 701	3	3
Québec) New Brunswick)*	20 650	6 361	(1)	(1)
	10 576 565	1 816 587	100	100

* Aggregated in order to preserve confidentiality of Canadian importers.
(1) Less than one per cent

CANADIAN IMPORTERS

Importers of wood charcoal during the period January to June 1986, as indicated in this report, are listed below in alphabetical order. Where the importer is not the same as the consignee, (i.e. the recipient of the goods shipped), the name of the consignee rather than that of the importer is listed. The importer or consignee is not necessarily the end-user of the product.

NOTE: This list includes all importers except individuals.

<u>Name</u>	<u>Address</u>
Ariston Importing Co. Ltd.	Scarborough, Ont.
Baillargeon, F. Ltd.	St-Constant, Qué.
Bertrand, Faucher, Bélanger Inc.	Montréal, Qué.
Buylow Foods Ltd.	Vancouver, B.C.
C and D Marketing and Sales, Div. of Bastmeyer Sales Ltd.	Uxbridge, Ont.
Canada Coast Marketing Co.	Richmond, B.C.
Canadian Tire Corp.	Brampton, Ont.
	Edmonton, Alta.
	Vancouver, B.C.
Candel Manufacturing Co.	Longueuil, Qué.
Carbon and Filtration Product Co.	Islington, Ont.
Cartanna Int'l. Sales Inc.	Delta, B.C.
Central Canadian Grocers	Ottawa, Ont.
	Bramalea, Ont.
	Toronto, Ont.
Charles, C. and Co.	Moose Jaw, Sask.
Clorox Co. of Canada Ltd.	Saskatoon, Sask.
Codville Co. Ltd.	Markham, Ont.
Emery, C.G. Int'l. Ltd.	Huntsville, Ont.
Husky Carbons Canada Inc.	Richmond Hill, Ont.
Inter-United Foods Corp.	Nanaimo, B.C.
Kelly Douglas & Co. Ltd.	Burnaby, B.C.
Lake City Distribution Ltd.	London, Ont.
Loeb Ltd.	Aldershot, Ont.
Lumsden Brothers Ltd.	Edmonton, Alta.
MacCosham Storage & Distributions Centers	Edmonton, Alta.
McDonalds Consolidated Ltd.	Calgary, Alta.
	Vancouver, B.C.
	Burnaby, B.C.
	Whitby, Ont.
Mesquite Woods Canada Inc.	Mississauga, Ont.
Neate Roller Ltd.	Richmond, B.C.
Neptune Foods Ltd.	Montréal, Qué.
Noranda Mines Ltd.	

APPENDIX C

CANADIAN IMPORTERS (CONT'D)

<u>Name</u>	<u>Address</u>
O'Connor, Galloway Sales Ltd.	Vancouver, B.C.
Ontario Paper Co.	Thorold, Ont.
Oppenheimer Bros. and Co. Ltd.	Burnaby, B.C.
Overwaited Foods Ltd.	Langley, B.C.
Pacific Fish Co.	Edmonton, Alta.
Poissons Aquarius du Québec Inc.	Montréal, Qué.
Pratts Ltd.	Winnipeg, Man.
Price Daxion Ltd.	Richmond, B.C.
Province of Nova Scotia	Halifax, N.S.
Ratcliffs (Canada) Ltd.	Richmond Hill, Ont.
Sabian Ltd.	Meductic, N.B.
Safeway Stores Inc.	Calgary, Alta.
Samuel Strapping Systems Ltd.	Mississauga, ont.
Sanken Enterprises	White Rock, B.C.
Scott National Co. Ltd.	Regina, Sask.
	Edmonton, Alta.
Texas Bar-B-Q Inds. Inc.	Richmond, B.C.
Tropic Aquaria Ltd.	Brampton, Ont.
Wallace and Carey Ltd.	Calgary, Alta.
	Coquitlam, B.C.
	Chemainus, B.C.
Western Slope Cedarwood Corp.	

APPENDIX D

FOREIGN EXPORTERS TO CANADA

Major exporters to Canada of wood charcoal, shown in this report, are listed in descending order of dollar value. These exporters accounted for 96 per cent of the total analysed value of \$1.8 million.

<u>Name</u>	<u>Address</u>	<u>Value of Imports</u> (\$000)
Husky Industry Inc.	Branson, MO United States	636
Kingsford Co., The	Belle, MO United States)	666
Imperial Products Corp.	St-Louis, MO United States)*	
Cartanna Int'l. Sales Inc.	Tucson, AZ United States	193
Safeway Stores Inc.	West Plains, MO United States	156
Union Camp Corp.	Spartanburg, SC United States)	100
Humpfrey Charcoal Corp.	Brookville, PA United States)	
Company of Carmel Mesquite	Charcoal)*	
Charcoal	Nogales, Sonora Mexico)	

* Aggregated in order to preserve confidentiality of Canadian importers.

CANADIAN SUPPLIERS

The following lists are taken from two sources: a) the Business Opportunities Sourcing System (BOSS), a computerized data bank established by the federal Department of Regional Industrial Expansion (DRIE) and b) the Canadian Trade Index, published by the Canadian Manufacturers' Association (CMA). These lists may not include all suppliers of the products in question, as companies must themselves register in BOSS or for the Canadian Trade Index. In both cases, information of Canadian products supplied is as given by the companies.

BOSS

Canadian companies are arranged in alphabetical order within the following Canadian International Trade Classification (C.I.T.C.) commodity codes.

Name

Address

339-91-20 Charcoal, Powdered/Wood/Not Activated

Luscar Ltd.

Edmonton, Alta.

339-91-30 Charcoal, Granulated or Chunks/Wood/Not Activated

Begin et Begin Inc.

Renverses, Qué.

* Charbon de Bois Feuille d'Érable Inc.

Ste-Christine, Qué.

Dufresne et Paquet et Cie Ltd.

St-Raymond, Qué.

* Produits Forestiers Basque Inc.

St-Mathieu, Qué.

339-91-40 Charcoal Briquettes/Wood/Not Activated

* Briquette Dégelis Ltée, La

Dégelis, Qué.

* Charbon de Bois Feuille d'Érable Inc.

Ste-Christine, Qué.

Charbon Nor-Que Limitée

La Corne, Qué.

* Company engaged in export trade.

Any enquiries and/or comments regarding the BOSS list should be directed to:

Business Opportunities Sourcing System (ABOS)

Department of Regional Industrial Expansion

235 Queen Street

Ottawa, Ontario

K1A 0H5

Telephone: (613) 954-5031

Telex: 053-4123

CANADIAN SUPPLIERS (CONT'D)

CANADIAN TRADE INDEX

Canadian companies are arranged in alphabetical order.

CHARCOAL

<u>Name</u>	<u>Address</u>
Bégin & Bégin Inc. Carbon and Filtration Products Company, Division of Pertama-Tentar Inc. Clorox Company of Canada Ltd.	Temiscouata, Qué. Islington, Ont. Mississauga, Ont.

Any enquiries and/or comments regarding the Canadian Trade Index list should be directed to:

The Canadian Manufacturers' Association
One Yonge Street
Toronto, Ontario
M5E 1J9
Telephone: (416) 363-7261
Telex: 065-24693

CANADIAN AND FOREIGN TARIFFS

Wood charcoal included in this analysis was dutiable under the following most commonly applied tariff items.

Tariff Item	Description	Tariff Treatment				
		British Preferential Tariff %	Most Favoured Nation Tariff %	General Tariff %	General Preferential Tariff %	U.K. and Ireland %
58900-1	Charcoal made from wood, per ton 1986	Free	\$0.50	\$7.50	Free	Free
	on and after January 1, per ton 1987	Free	Free	\$7.50	Free	Free
71100-1	All goods not enumerated in this schedule as subject to any other rate of duty, and not otherwise declared free of duty, and not being goods the importation whereof is by law prohibited					
	1986	11.1	11.1	25	7	11.1
	on and after January 1, 1987	10.2	10.2	25	6.5	10.2

Duty shall not be deemed to be provided for by this item upon dutiable goods mentioned as "n.o.p." in any other tariff item.

When the component material of chief value in any non-enumerated article consists of dutiable material enumerated in this schedule as bearing a higher rate of duty than is specified in this tariff item, such non-enumerated article shall be subject to the highest duty that would be chargeable thereon if it were composed wholly of the component material thereof of chief value, such "component material of chief value" being that component material which exceeds in value any other single component material in its condition as found in the article.

N.o.p. - Not otherwise provided for

Tariff Arrangements and Foreign Countries of Export:

Exporting country which qualifies for the Most Favoured Nation tariff treatment: The United States

Exporting country which qualifies for the Most Favoured Nation tariff treatment or General System of Preference tariff treatment*: Mexico

* NOTE: In order to qualify for the General System of Preference, a special certificate of origin is required.

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) 954-6946

Foreign Countries

Enquiries concerning tariffs and other government trade regulations in foreign countries should be directed to:

INFO EXPORT
EXTERNAL AFFAIRS
OTTAWA, ONTARIO
K1A 0G2
TEL: (613) 993-6435 OR 1-800-267-8376

RECONCILIATION

Imports of wood charcoal during the period January to June 1986 as reported on documents analyzed in this report, amounted to 10 576 565 lbs. for a total dollar value of \$1 816 587.

The value reported in this import analysis does not correspond to official Statistics Canada figures for various reasons.

Reconciliation of the two total figures is explained as follows:

<u>Values Accounted For</u>	<u>Value</u> <u>(\$000)</u>
Documents not available for analysis	25
Documents referring to products which should have been classified elsewhere	36
Total values reported in this import analysis	<u>1 817</u>
Total values accounted for as above	1 878
Total values published by Statistics Canada	1 878

DRIE REGIONAL OFFICES

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) 857-6400

Québec

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Tour de la Bourse
800, Place Victoria, Suite 3800
Montréal, Québec
H4Z 1E8
Tel: (514) 283-8185

Ontario

4th Floor
Dominion Public Building
1 Front Street West
Toronto, Ontario
M5J 1A5
Tel: (416) 973-5000

Manitoba

P.O. Box 981
330 Portage Avenue
Room 608
Winnipeg, Manitoba
R3C 2V2
Tel: (204) 983-4090

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) 666-0434

Yukon

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

Northwest Territories

P.O. Bag 6100
Precambrian Building
Yellowknife, Northwest Territories
X1A 1C0
Tel: (403) 920-8571

