

### Fish and Seafood

The size of the seafood market in the Upper Midwest is estimated at over US\$800 million. This represents a higher than expected rate of consumption due to highly innovative merchandising efforts at the retail level. U.S. national organizations (F.M.I., N.S.M.I) indicate this market is 2-3 years ahead of the rest of the U.S. in marketing, inspection, quality control, transportation, merchandising, presentation and advertising. The market currently is divided as follows: 60 percent of fish and seafood is sold in retail stores; and 40 percent in the restaurant/foodservice trade. The major growth potential is in the retail sector, with future large increases possible if there are innovations in packaging, quality control and product formulation (e.g. boneless fillets). Current sales at the retail level are approximately 50 percent frozen and 50 percent fresh.

The domestic fishery consists mainly of walleye (200,000 lbs of the 300,000 lbs sold in the Minneapolis/St. Paul market last year were domestic). There is continuous strong demand for walleye, and demands that more be made available from Canadian sources. There are also small quantities of farmed freshwater salmon and trout being raised locally. In general, the most popular species are salmon (steaks more than fillets), cod fillets, walleye fillets, orange roughy, pollock, catfish, swordfish, shark, shrimp, clams, scallops and lobster.

### The Food Distribution System

The distribution system is straightforward and buyers are accustomed to working with small to medium-sized companies. Two large warehouse-styled grocery chains, Cub Foods and Rainbow Foods, have about 55 percent of the Twin Cities grocery market, comprising 200 supermarkets and estimated weekly sales of \$53 million. Conventional supermarkets have a 33 percent market share, and upscale operators such as the trend-setting Byerly Foods have about 12 percent market share. These independent chains are serviced by four large voluntary wholesale distributors headquartered

in the Twin Cities, as well as by a number of specialty distributors.

In Iowa, the Dahl's Food Chain is headquartered in Chariton.

Omaha, Nebraska is the headquarters of Baker's Supermarkets. In this market it is necessary to have a sales agent constantly calling on the chain stores. Food brokers play a crucial role in the Upper Midwest market and it is almost impossible to penetrate the market without engaging their services.

The Canadian Consulate General in Minneapolis is active in assisting Canadian food and beverage product manufacturers through promotional activities and interaction with the local trade. The office organizes an annual Canadian Food and Beverage solo show that is well attended by brokers and buyers. This provides an excellent introduction to the market for new exporters. The Consulate also organizes educational NEBS missions and assists firms that are interested in exhibiting in regional trade shows for the food service, ingredients, bakery and beverage industries.

For further information about the region or specific information regarding agents, brokers and distributors please contact:

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### South-West

#### **Dallas**

The Canadian Consulate General in Dallas is responsible for the territory which includes Arkansas, Kansas, Louisiana, New Mexico, Oklahoma and Texas. Texas is the second