



"The puzzling thing is they should have been successful because there is a fair awareness of Canadian products with the Chinese here."

Grimsey said the fundamental problem is that Canadian producers are not export-oriented when it comes to focusing on markets beyond the United States and fail to address the Asian market's different needs. These include portion sizes, which tend to be smaller, and labelling requirements.



Bill Grimsey,
managing director of
Park'N Shop

"It does need a lot of attention from management and exporters who want to work with this market," he said, adding countries such as Australia have done a much better job of exploiting the Asian market.

"It's a far way to come but if it's a problem it must be tackled as an opportunity to be solved."

Grimsey's views are shared by Yvonne Harriman, institutional division manager with Friesland Foods Ltd., which imports items such as York Peanut Butter.

"I don't think they are very export-oriented because the biggest market they focus on is the United States," she said, adding it is difficult to place small orders to see how well they sell.

Park'N Shop's difficulties have not deterred them, however, from pursuing what could be Canada's most popular and successful food export - Loblaw's President's Choice portfolio.

After more than a year of discussions with Loblaw, President's Choice products are expected to hit the shelves of

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Park'N Shop stores in late September, which is probably none too soon for Canadians pining for President's Choice Decadent Chocolate Chip Cookies or salsa.

The person responsible for the development is Toronto native Graeme Morrison, who has lived in Hong Kong since 1991. Early last year, he was talking with a friend when it dawned on him that importing President's Choice products to the territory could be a lucrative business.

The idea was attractive not only because of the large number of Canadians living in Hong Kong, but also due to the popularity of premium products with local consumers, who view them as status symbols.

Grimsey said it has taken a year to ink a deal because both sides wanted to make sure they were right for each other.

For Loblaw, it was important to have the right partner who could provide the right market and merchandising support for its award-winning products. Park'N Shop was concerned that President's Choice had the ability to win over Asian consumers, who have different tastes than North Americans.

Grimsey said initially Park'N Shop will stock cookies, soft drinks, pet food and

coffee. The eventual goal, he said is to establish the quality of President's Choice and develop new products with Loblaw that appeal directly to Asian consumers using the President's Choice brand name.

"Loblaw can gain access to southeast Asia," Grimsey said, "It's a partnership in which we can play an important role and a good marriage."

Morrison said Park'N Shop was a good fit for President's Choice because its stores are seen as upscale and have an excellent image with consumers.

With research limited to samples sent to a number of offices to get a handle on what might go over well, Morrison said it will be difficult to gauge consumer demand for President's Choice products during the first few months.

"Some products could be an overnight success and we might have to air freight more supplies in to meet demand while others may not be as successful," he said.

An important part of the President's Choice launch will be an aggressive and educational marketing campaign that will feature in-store samples and bilingual point of sale advertising.

Give President's Choice track record of success in the United States, Australia and other foreign markets, Morrison hopes to generate sales of \$10 million to \$12 million this year.

He said it is a reasonable target because his company will be able to tap into Park'N Shop's excellent distribution system of 170 stores and customer traffic of 2.5 million each week.

"Once you hook people, it creates a halo effect and people really want to try other products," Morrison said.

Morrison said bringing the President's Choice line into Hong

