

- The U.K. retail sector is highly concentrated and centralized, with a small group of major retailers controlling 60 percent of the grocery trade, for example;
- The retail private-brand sector is immense;
- The discount food sector, although small, is growing rapidly;
- Price is becoming increasingly important, although not at the expense of either product quality or the overall "service package" in the more traditional retail sectors;
- The food service sector is growing rapidly in scale and importance, with an increasingly concentrated customer base;
- The premium food sector has remained buoyant throughout the recession and offers large margins to low-volume producers with the correct "unique selling points."

The Action Plan

U.K. Food Market Intelligence Service (UK FMIS). The UK FMIS is now being made available to Canadian agri-food exporters. The Service consists of:

- Quarterly newsletters
 - *Trends: Food in the UK*
 - *UK Fisheries Market Update*
- Analyses
 - *Agri-food Investment Opportunities in Northern Ireland*
 - *British Agri-food and Beverage Manufacturers*
 - *Post-GATT Analysis on the UK Food Market*
- Market intelligence on-line system:
 - 63 food-product-specific analyses

Market Access. High Commission officers are on hand to assist in resolving EU market access issues specific to the U.K. market.

International Food and Drink Exhibition (IFE). The IFE is an excellent venue for Canadian food and beverage exporters wishing to

introduce their product(s) to the market for the first time. The exhibition is a trade-only event that takes place on a biennial basis. This year's IFE took place on 9-13 February 1997. For more information, contact Lori-Anne Larkin, UNILINK Canada, tel. 416-291-6359 or fax 416-291-0025.

Canadian Food Festival Programme. The past year saw an increasing number of Canadian Food Festivals taking place around Britain. They are coordinated by the Canadian High Commission, with several objectives in mind. The festivals act as a test marketing vehicle for Canadian food and beverages already being imported into the country. They also provide a contact level between local importers of Canadian food and beverages and the food service trade in particular.

Food Product Specific Demonstrations. New and traditional exporters may utilize the Canadian High Commission's multi-purpose rooms for product launches or demonstrations, as well as seminars.

Investment and Strategic Alliances. High Commission officers are actively involved in attempting to facilitate Canada-U.K. investment and biotechnology partnerships.

Market Strategy. The Agri-Food Industry Market Strategies (AIMS) encourages and assists industry associations to develop strategic marketing and promotional plans for target countries. AIMS also coordinates financial assistance needed to carry out these strategies. Agriculture and Agri-Food Canada has recently announced its "Agri-Food 2000" program, which is designed to help the Canadian agri-food industry increase sales of agriculture, food, and beverage products in domestic and foreign markets. The program targets agriculture and food producers, processors, and exporters who are working collectively through associations, marketing boards, or alliances.

Inward Retail Buyers Mission to Canada, March 1997. The mission will be co-sponsored by *The Grocer* magazine, Britain's most widely read retail food publication.