The current recession has encouraged more home entertainment. This means that while sales per customer may be down, total sales of cookies and crackers has remained unchanged.

According to U.S. Department of Commerce data the value of shipments of bakery products is estimated at $29 billion in 1992 and projected to increase as per capita income increases.

Snack Foods

As single-parent and dual-career families become more common, consumers will continue to place greater emphasis on convenience foods. Business trend analysts estimate that during the 1990s the snack foods market will achieve a compound growth of 5.1 percent. According to some industry experts, the salted snacks market will reach $10.1 billion by 1994, much of the recent growth occurring in popcom. Potato chips still account for 40 percent of the over-all market, corn/tortilla chips another 19 percent and popcorn, 13 percent.

V. Overview of Structure and Characteristics of U.S. Market For Fish and Agri-Food Products

The food distribution system in the United States is less concentrated than Canada's, due in large part to a more dispersed population base. Regional, as opposed to national, grocery operations still account for a significant percentage of sales in regional markets. Canadian producers are encouraged to initially enter the U.S. market on a regional basis rather than targeting the national market.

The recession affected supermarkets less than the majority of grocery stores in the U.S. 30,670 supermarkets posted a 3.2 per-cent sales increase over 1990, a gain of 1.1 percent over the grocery store average of 2.1 percent. This average is skewed by the predominant position of supermarkets in grocery store sales, with 75.5 percent of the sales.

Grocery Store Sales

Supermarkets	
Chains	53 percent
Independents	21.5 percent
Convenience	7.3 percent
Other Grocery	18.2 percent

Chain stores played a large role in the growth, but wholesale-retail clubs appear to be gaining power in the industry. In 1991 these clubs accounted for fifteen billion dollars in food sales. U.S. manufacturers have described these clubs as the most difficult customers to deal with, and deep discounters are now running second. The increased competition from discounters such as these had led to extremely competitive tactics, including "hot" specials, an emphasis on private label marketing and cut-throat pricing.

Normally, general grocery products are sold, promoted and serviced by food brokers. With their knowledge of the territory and the buyer's company, as well as their ability to authorize deals, make calls and offer a high level of service to the buyer, brokers are generally regarded by the purchaser as more creditable