

the provisions of this bill and its attendant seafood safety program is expected to have an impact on U.S. wholesale and retail operations, resulting in higher costs for Canadian exporters selling into this and other regional U.S. markets.

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

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Southwest

Atlanta

This territory comprises the seven states in the Southeastern United States (Georgia, N. Carolina, S. Carolina, Mississippi, Tennessee, Alabama, Florida), along with Puerto Rico and the U.S. Virgin Islands. The combined population of approximately 43 million people represents over 16 percent of the nation's total and the growth rate over the last ten years has been almost twice that of the country as a whole. The retail market in the region is estimated at \$73.4 billion or 21 percent of the U.S. total. The region has 53,000 food stores, 7,991 supermarkets, and over 15,000 convenience stores. We estimate the foodservice market at approximately US\$50 billion.

As concerns about diet and health continue to change the eating habits of Americans, the best opportunities in the territory are in frozen entrées and other convenience foods.

There are also market opportunities for salad dressings and sauces, prepared soups, aseptically packaged juices (particularly those of a more exotic nature), and frozen convenience foods including potatoes, microwavable products and snacks.

Some opportunities are available in ethnic cheeses, high quality yoghurts, low-fat dairy products and non-dairy substitutes. Ready-to-serve, health-oriented breakfast items should do well, particularly if the packaging is well designed.

Frozen products (for the foodservice industry as well as the retail industry), cookies and crackers are in demand. Consumption of candies is increasing and gourmet/fancy varieties present the best opportunities.

Beverages

Premium wines of excellent quality are faring better in the market. Consumers are not drinking more wine but are willing to pay more for the better product. Canadian beer accounts for 22 percent of the total beer imports to the region and some opportunities may still exist in this sector. It should be noted that the U.S. demand for alcoholic beverages has flattened and that it is expected to continue to be weak for some time.

Popularly priced bottled water with eye-catching graphics and innovative packaging could do well in this market. The quality of the water and the integrity of the source must be good.

Fish and Seafood

It is thought that the southeastern United States, with a somewhat greater access to fresh, locally caught product, and a large tourist population, has a consumption that is significantly above the national average, although this is difficult to estimate.

Much of the imported fish, shellfish and fish products is brought into the territory from Boston and New York. Only now are processors and other users turning to direct suppliers such as Canada. With the exception of hake, all species find a more or less ready market. Hake, however, is exported to the territory by South American countries and the prices are much below the Canadian prices.