NEW MATERIALS

Market Overview

New materials is a high-tech sector that Canadian businesses can take full advantage of in Germany. Germany's advanced manufacturing sector is constantly on the look out for new materials to give their industrial products a competitive edge.

The highest demand for new materials can be found in both the transportation and information technology sectors. These sectors have the highest R&D expenditures. The remaining demand is almost equally divided among the energy-producing, medical and manufacturing technologies. R&D resources are spent

roughly equally on ceramics, metals and polymers.

One important consideration for new materials is their effect on the environment. Developments that protect resources or reduce emissions are in high demand, especially in the transportation and the energy-producing sectors.

Market Access

The German market can be accessed in a number of different ways. The use of trade shows to contact interested clients is advisable. At these meetings, products can be demonstrated in front of management representatives, technical experts and buyers.

Another approach is to make an initial contact through either industrial or public R&D groups. Many professors in public-research institutes come from industrial labs and have excellent contacts in their respective markets.

Information Sources

Materials Week and Materialica 2001, International Congress on Advanced Materials, Processes and Applications, October 1-4, 2001, Munich: http://www.materialsweek.org

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ORGANIC FOODS

Market Overview

W ith per capita spending power of nearly \$27,000, German consumers are among the most prosperous in the world. In 1998, consumers spent an average 17.5% of their disposable income on food and beverages. While the quality/ price relationship is often a deciding factor for many Germans, consumers have displayed a willingness to spend extra money to purchase higher-quality foods.

In essence, the popularity of organic foods is somewhat a reflection of the wealth of a country's population. Therefore, it is not surprising that Germany is the largest consumer of organic foods in Europe and in the world.

While the German grocery market as a whole showed minimal growth in 1998, the market for organic foods increased by 10%. Annual sales of organic foods are estimated to be worth nearly \$3.4 billion. Although this represents only 2% of total grocery sales, experts predict continued strong growth in the near future, with total sales of organic foods accounting for up to 10% of the total market by 2005.

Bulk goods, such as wheat and pulses, account for the largest share of Canadian exports of organic foods to Germany. However, as the market for organic foods continues to grow, opportunities for exports

of consumer-ready products are also increasing. Canada's reputation as being a clean, environmentally, friendly country should also help exporters of organic foods. The largest sectors within the consumerready, organic foods market are identified in the following table.



Organic Foods Market by Sector (% share)

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