TITLE — TITRE:

Directory of food importers in Thailand and an overview of opportunities in the food industry for Canadian companies

DIRECTORY OF FOOD IMPORTERS IN THAILAND

AND

AN OVERVIEW OF OPPORTUNITIES IN THE FOOD INDUSTRY FOR CANADIAN COMPANIES

Foreign Affairs & International Trade Canada, 1994

DIRECTORY OF FOOD IMPORTERS IN THAILAND AND AN OVERVIEW OF OPPORTUNITIES IN THE FOOD INDUSTRY FOR CANADIAN COMPANIES

Prepared for Foreign Affairs & International Trade Canada

by the

THAILAND BUSINESS ASSOCIATION OF CANADA (TBAC)

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TABLE OF CONTENTS

Table of Contents (con't.)

EXECUTIVE SUMMARY

This report reviews specific opportunities for Canadian exporters of food products. Details of these opportunities are located in the text of this report; however, a summary of key opportunities will be presented here.

Key domestic growth markets in Thailand, as identified through the course of researching this report are:

- fruit juice
- yoghurt
- processed meats
- UHT milk
- fresh pasteurized milk
- ice-cream
- wine coolers
- specialty seafood (cold water)
- prepared foods for institutional markets
- upcountry grocery distribution

Other Opportunities
With a substantial expatriate population (278,000 foreigners), there is considerable demand in this one group alone. Traditionally, expatriates have a higher disposable income and often spend their money attempting to re-create a western existence. Food is a key component. While some of the actual quantities can be small, in combination with other sectors of the market the addition of the expatriate market may warrant a Canadian company to further investigate the potential for their products (ie breakfast cereals, potato chips, peanut butter, cheese, canned preparations, convenience foods like microwaveable products and some meats). Exporters should also keep in mind that Thailand hosts in excess of 6 million tourists annually who are housed in one of 25 five star hotels or 140 other hotels.

Subjective Observations and Impressions
Thailand is extremely status conscious and while imported goods continue to be highly sought after, there could also be a strong latent demand for private label products which utilize the names of existing, prominent Thai retail stores. Canadian companies with a history of selling private label goods should consider this market. Little to no private labelling currently exists in Thailand, therefore an education process will need to be implemented. On the positive side, the market is wide open, and there are several end-users who could be very interested in such a concept (Central, Robinsons, Tokyo, Siam Macro).

Exporters should also keep in mind the Thais love for sweets and their habit of continually snacking. The average Thai will sit down to eat 4 or 5 times a day as eating is considered more of a social event than a practical one. Still, their status consciousness causes them to look for different and unique ways of impressing people, and this is often done through buying "different" types of food. Western styled foods, and western brand names are particularly sought after by status conscious Thais. Fads are popular so caution is to be exercised when estimating second orders! Exporters should also keep in mind that Bangkok does not represent Thailand and that there is a much larger, although very different market located outside of Bangkok's city limits.

There are several reasons why Thailand presents abundant opportunities for Canadian food producers:

Changes in Duty Rate
For those Canadian companies who have attempted to export to Thailand in the past but were unsuccessful, now is the time to try again. In the last few years (since the Anand II Administration), there has been a steadily declining duty rate on many products being imported into Thailand. Commensurately, the price of foreign goods is also declining, and are becoming more accessible to a wider percentage of the population. The government of Thailand has also been working hard to help streamline the administration of the importation process.

Economic Prosperity and the Emergence of a Middle Class
While the general decline in the rates of duty have widened the potential market segment for many products, it is Thailand's own economic development that has had the most effect on the number of people able to afford foreign goods. As has been a repeated theme of this report, the rise of the Thai middle class has propelled to the forefront a new and very powerful consumer group. The buying power of this group is considerable. There is also a significant status associated with foreign goods. The combination of these two factors is helping to create an ideal environment for foreign foods in Thailand.

Other areas of opportunity to consider are:

Value Added and Technology
While not discussed in the text of this report, a consistent theme uncovered during the course of researching this report involved what is broadly defined as non-traditional areas. Canadians traditionally export raw materials and commodities to Thailand, and while the demand for many of these items is growing (see Section VIII), there is scant value added. Canadians are encouraged to go beyond the export of commodities and raw goods and look to areas where the value added component is more substantial or where the processes developed in Canada can be sold.

Canadian food producers could do well to consider pursuing joint ventures in Thailand between Thai food processing companies. Keep in mind that Thailand is still developing its manufacturing base and the demand for proven and effective technology and processes is high. Opportunities exist in the areas of fruit and vegetable processing, as well as in swine farming and to a lesser extent, in chicken production. With a growing domestic market and expanding base of exported products, Thai producers and processors will increasingly look to countries like Canada for assistance in instituting more efficient and cost-effective ways to process food.

In regard to value added, Canadians should also consider the market for "branded" or high-profile food products. Canada's President Choice products have recently been introduced into

Hong Kong -- and are enjoying remarkable success both with the substantial expatriate community, but also with the local population who ascribe considerable status to premium products. While Hong Kong is developmentally ahead of Thailand, the market forces that are causing President's Choice products to succeed in Hong Kong are the same forces that are currently emerging in Thailand. Prepared and packaged foods like frozen pizzas, vegetables, and individually portioned foods for hotels and restaurants will only become more popular in Thailand (See Section VII).

Off-Shore Manufacturing
Some Canadian food producers have established manufacturing facilities in Thailand as a way of serving the markets in Thailand and in the surrounding countries. Utilising both Canadian expertise and some amount of raw materials, these are an ideal vehicle for entering the Thai market and for expansion to the markets in the greater Asian area.

Licensing
When logistics do not allow a Canadian company to set up full off-shore production facilities, Canadians should also consider either selling or licensing their technology and skills to a Thai manufacturer.

Other issues: Canadians should also keep in mind that Americans do have special privileges when it comes to establishing subsidiaries in Thailand. This can translate into a substantial competitive advantage for companies from the United States, so it is advised that Canadians research this area fully before establishing themselves (refer to Section X).

I. INTRODUCTION AND METHODOLOGY

For Canadian companies in the midst of exploring export opportunities, Thailand is often not the first country to come to mind. Most people's impression of Thailand is that of a third-world country with abundant opportunities for Canadian companies involved with infrastructure projects or for those supplying the most basic of human needs. Traditionally, Thailand is not seen as having a substantial market for products such as imported foodstuffs. This is far from the truth.

Thailand has changed dramatically in the past decade. As the world's fastest growing economy in the late 1980s, Thailand's economic development has paved the way for extensive social change. Personal incomes, particularly in urban areas, have increased substantially with a commensurate rise in disposable income. One of the more tangible results of this economic expansion has been the development of a substantial middle class with noticeably different buying habits when compared to earlier generations. These changes have created opportunities for Canadians in many market areas, including food products.

Between 1980 and 1991, imports of food and beverages into Thailand grew more than 212%, from C$325.4 million in 1980 to just over the one billion dollar mark in 1991 (Bank of Thailand). This growth has not slowed down in the intervening period.

This report will examine recent changes in Thailand that have made this country much more attractive to Canadian food exporters, as well as begin to review specific areas of opportunity that Canadians should begin to explore further. While this report does not attempt to provide all details necessary to begin exporting food products to Thailand, it should provide Canadian exporters with enough information to begin the process. Once the decision has been made to seriously target Thailand as an export destination, additional information should be sought from the Canadian Embassy (Commercial Section) in Bangkok, from the Federal Government's ASEAN Agri-Food specialist located in the Canadian High Commission in Singapore, or from one of the other organizations listed in the "Useful Groups" section of this report.

Most figures in this report are stated in Canadian dollars, and the exchange rate used is C$1 = Baht 19. In regards to telephones, Thailand's Country Code is 66, and the city code for Bangkok is 2. Unless otherwise stated, all Thai phone numbers listed in this report can be reached using these prefixes (ie from Canada dial 011 - 66 - 2 - then the seven digit number). The use of English is wide in most areas of the business community, but do not expect English to be used in all situations. French is not common. Contracts can be in both English and Thai and may be a single page or a multi-chapter document. It is advisable to seek professional legal assistance when dealing with contracts.

The research for this report was completed almost entirely in Thailand, and is the result of primary research. Where information was not directly obtainable by the author the secondary sources have been identified.

This report has attempted to locate and dwell upon new opportunities in the food market in Thailand. Traditional areas like grains and wheat were mentioned, but were not emphasized as in many cases Canadian companies have long-standing relationships with Thai importers. Instead, new opportunities in both traditional (direct exporting) and non-traditional areas (licensing, manufacturing) were identified.

We hope that you find this report, and the attached Directory of Thai Food Importers to be a useful tool in your goal to begin exporting Canadian food products to Thailand.

II. OVERVIEW OF THE THAI RETAIL FOOD MARKET

Background

The retail food market in Thailand (defined as grocery stores, super-stores, convenience marts and department stores) is presently experiencing a period of profound and far-reaching change. Long standing methods of retailing, distributing, and marketing are being replaced with systems and approaches that can only be described as being western in both philosophy and operation.

There are several reasons to explain why these changes are occurring. Thailand has experienced rapid economic growth in the last part of the 1980s which has continued well into 1994. Growth in Thailand's Gross Domestic Product peaked at a high of 13.2% in 1988, and projections for 1994 conservatively forecast growth of 8% (Bank of Thailand and Siam Commercial Bank). This unprecedented growth is one of the key factors in the emergence of a substantial middle class in Thailand (defined as those making between 15,000 and 29,000 Baht a month or C$790.00 and C$1,525.00). In most cases, it is the buying power of the middle class that drives the growth of sectors such as groceries.

In greater Bangkok as well as in urban up-country areas, the middle class constitutes 25% of the adult population; while the national average stands at 11% middle class (or approximately 6.43 million people). Add to this the buying power of the upper income group, and you are looking at a total market of approximately 11.7 million people (Thai Ministry of the Interior).

The effect on food purchasing is remarkable. Between 1988 and 1993, private consumption expenditures at current market prices for food rose a dramatic 55.6% (Thai Ministry of Commerce); while consumption of beverages rose a whopping 144% in the same period of time.

With a new middle class comes radically different lifestyles. There is a definite move, particularly in Bangkok and other large urban areas, towards more western styled products and services. People no longer have the time (or the domestic help) to prepare foods as they had in the past, opting now for more packaged convenience foods. Status conscious Thais also ascribe considerable value to those foods that are imported and thus carry with them a certain "caché".

What this translates into are a considerable number of new niche areas for Canadian food suppliers.

History

The Thai retail food market can be categorized into several periods.

1. Period of the **Department store**, 1952 - 1969

In this period western style food retailing is primarily found in department stores. At this time the majority of the population continued to buy their food at wet-markets, and specialty retailers.

2. Period of the **Complex**, 1969 - 1985

In this period retail food moved out of the department stores, and into most of the large shopping complexes where customers can enjoy purchasing varieties of foods and at the same time enjoy their time at theatres, amusement parks or do other shopping.

3. Period of **Stand-alone Stores**, 1985 - 1989

This period is when grocery stores as we know them in Canada, were established. This development was caused to a considerable extent by the ever increasing number of expatriates living in Bangkok.

4. Period of the **Convenience Store**, 1988 - Present

Convenience marts are new to Thailand, but have proven to be immensely popular. Similar in function and offerings to Canadian convenience stores, Thai convenience stores (ie 7-11) now make up a considerable proportion of the retail distribution network.

Operator	**Brand**	**Target**
CP	7-ELEVEN	1000 stores by 1997
ROBINSON	FAMILY MART	500 stores by 1997
CENTRAL	CENTRAL MINI	50 stores by 1994

7-ELEVEN opened the first convenience store in Thailand in 1988 at Patpong Road. There are now over 220 stores with total sales volume of 2,400 million baht (C$126.3m) in 1993, with a projected sales figure of 4,000 million baht for 1994 (C$210.5 m).

5. Period of the **Superstores**, 1989 - Present

Similar to Cost-Co or Price-Club, Thailand also has its share of superstores. This concept will be explored in greater detail below, as this concept is in the process of radically changing the way Thais shop for food.

List of Superstores in Thailand:

Name	**Operator**	**Commence**	**Target**
Siam Macro	CP	Aug. 1989	
Big C	Central	Dec. 1993	6 stores in 1995
Save One	Robinson	Dec. 1993	2 stores in 1994
Lotus	CP	Mid 1994	2 stores in 1994

Please see section for more details on Superstores.

Distribution Structure

Most grocery outlets procure foreign goods through:

1. Direct purchase from off-shore suppliers
2. Purchase from Thai agents

For most outlets, the most popular way of obtaining foreign groceries is by going to a Thai agent (see attached list of importers). Increasingly, however, more and more stores are buying directly from either the manufacturer or from an off-shore distributor -- cutting out one and sometimes two layers of handling. In the past, direct purchasing has been restricted to the larger players who could provide volume guarantees (ie: Central, Robinsons). However, in keeping with the international trend to go direct, more and more outlets are following suit.

As direct procurement for smaller outlets will never be an option, the extensive system of importers and distributors is far from being totally replaced. It is still very practical for a Canadian importer to utilize this distribution system (although this can depend on the product being sold). What has changed is that Canadians should also ensure that they are flexible enough to sell direct to some retailers. Often times this can be a problem as the designated agent/importer often requests "exclusive rights" for a product for the whole of Thailand. Canadian exporters would be well advised to negotiate a clause where they would have the option of servicing direct accounts. This may not be particularly popular with your agent, but it will allow you to access accounts that would not normally consider buying from a distributor/agent.

Listings of those retailers who prefer to buy direct are located in the importers list (Section V).

Cooperative Distribution Centres

This topic will be expanded upon in Section III of this report.

Opportunities For Canadian Food Exporters

While much has been discussed in regards to high volume purchasing, Canadians should not forget to take advantage of "niche" opportunities. Canadian products can do well in Thailand. Areas of particular interest to Canadians were presented in a previous section. At this time in the development of Thailand's distribution system, Canadian exporters could also do very well by taking advantage of some of the new cooperative distribution centres that are coming on line.

III. INNOVATIONS IN THAI FOOD DISTRIBUTION

Background

Thailand is rapidly westernizing, particularly in the urban areas of Bangkok, Chiang Mai and Had Yai. Few aspects of Thai society are immune from western influences. In the grocery business in Thailand, western influences are directly responsible for radical changes in consumers buying habits and demands. While these changes will affect what and how food is bought, the changes go far deeper than that. The very heart of this industry is experiencing profound changes in the form of radically new approaches to food and grocery distribution. This report will briefly review two of these innovations -- "**cooperative**" **wholesale food distribution**, and **superstores**.

1. SUPERSTORE

More information on superstores can be found in Section II of this report.

Superstores were introduced into Thailand in August 1989 with the idea of Cash and Carry wholesaler under a Taiwan/Dutch/Thai joint venture (CP Group from Thailand, Macro SHV Holding of The Netherlands and Homegreen Invest of Taiwan). The business is under the Siam Macro name. At present Siam Macro has four branches in Bangkok and another two up-country.

It is widely accepted that Siam Macro ushered in a new era in grocery distribution. Up to this point grocery distribution followed the traditional form of manufacturer to distributor to retailer to consumer. Looking at Macro's sales volume will give you an indication as to just how popular the concept of manufacturer to retailer has become. In existence for only four and a half years, Siam Macro estimates their 1994 earnings at 13,500 million baht (C$710 million) (6 locations). This volume compares to Central Department Stores, acclaimed as the leader in retail business. In the business for 47 years, Central earned 14,600 million baht (C$ 768 million) from 12 branches in the same period of time.

Competition in this sector is going to be intense. This year it is anticipated that seven new entrants from abroad will confirm their plans to establish superstores in Thailand. The first three are from USA: SAM STORE, a division of WALMART; TARGET, and HOME DEPOT (Target and Home Depot rank the second and the fourth biggest in the USA respectively). The other four are from Australia and France.

The latest information indicates that some of these groups will be able to start business by the end 1994. Many of the North American superstores who are entering Thailand now are keeping in mind the future markets of Indochina (Myanmar, Vietnam, Cambodia and Laos).

Superstores (ie. Costco, Walmart, Siam Macro) cater to the consumer oriented lifestyle of the average middle class citizen. The establishment of superstores in Thailand is a direct result of the rise of the middle class in that country. Exacerbating the demand for superstores is the adoption of western consuming habits by most of this new middle class.

The new middle class, while possessing considerable disposable income, do not have a significant enough income to hire cooks, maids, drivers and other household staff. Their disposable income however, gives them the buying power to purchase good quality foods and other groceries. The change is that they now have to go themselves to purchase these products instead of sending a servant.

As tastes "westernize", the average young Thai professional shuns buying trips to the traditional wet-markets in favour of more western style shopping experiences. Time constraints and an awareness of cost often lead the Thai middle class shopper to these new superstores. Here prices are traditionally lower than the average "grocery" store and most products can be purchased in one location.

Canadian food and grocery producers should not underestimate the buying power of these superstores. Keep in mind however, that you will be dealing directly with the retailer and will be dealing in substantial quantities. A common complaint amongst Thai importers of Canadian products is that Canadian manufacturers cannot deliver the volume of good that they need (ie: a key problem in the past with Canadian wine producers). Contacts for the Thai superstores are located in Section V of this directory.

An interesting corollary to this innovation is that superstores are now moving out of Bangkok and are successfully establishing themselves in substantially smaller population centres throughout Thailand.

2. COOPERATIVE WHOLESALE FOOD DISTRIBUTION

Much of this report has focussed on the distribution of food and grocery products in Bangkok. While Bangkok continues to be the natural target market for imported food products, the markets outside of Bangkok cannot be ignored. One of the main reasons importers have overlooked what is known as "up-country" markets is because of the smaller volumes and difficulties associated with servicing a large number of accounts spread over a vast geographic area. While nothing can be done to negate the geographic distances, recent innovations in distribution have effectively solved the problem of dealing with many small accounts.

In 1993 the Thailand Distribution Centre (TDC) was established to supply wholesale food and grocery products to the up-country market. Instead of acting as just a wholesaler, TDC requests that stores wishing to become involved also take an ownership position in TDC and become "Members". The group has also brought in P&O from Australia to help manage the venture (inventory control and computer ordering). The key selling points of this system is that it allows the group of retailers to take advantage of bulk buying and grants them access to a very efficient ordering system that they would not normally be able to afford. An additional concern, particularly in regards to stores operating up-country, is that each retailer is able (in fact, is encouraged) to retain its own identity. From outside appearances, an outsider would not be able to discern wether a store is a TDC member or not -- therefore the good-will and trust that has been built up by the individual retailers is maintained and the desirable "mom and pop" appearance is perpetuated.

In order to be a member of the TDC, up-country stores must be willing to abolish their former stock and ordering systems and be receptive to using computers and modems. They must also be willing to expand in terms of both store size and number of outlets operated. In return, the members are provided with complete stock control. Ordering takes place on a bi-weekly (soon to be daily) basis and is completely computerized. While the ordering is not currently tied into point of purchase inventory control, this idea is currently being examined. TDC also ensures that each store will not experience a shortage of goods.

The 12 members of TDC (which represents over 40 outlets), have experienced a remarkable rise in cost efficiency since joining this system, therefore freeing up capital for expansion. Sales volume in the first year of operation reached 1,200 million Baht (C$63 million). Goods are received at a central warehouse located just outside of Bangkok where a stevedore assembles each order for each up-country location. Trucks leave the warehouse on a daily basis. Refrigerated space will be installed in the warehouse in the next 12 months.

Currently, only 5-7% of the products they distribute are imported items. However, the demand for foreign goods is strong and TDC is looking for additional foreign products which they will import directly.

TDC has set the stage for the future of food distribution in Thailand. Competition is expected soon. This will allow Canadian exporters of food products an ever broader choice of options for up-country grocery and food distribution. This is an ideal opportunity to get in on the "ground floor" and establish initial market share in the up-country markets and should not be overlooked by Canadians. Details on TDC can be found in Section II of this report.

IV. OVERVIEW OF THE THAI INSTITUTIONAL FOOD MARKET

Background

In many ways, the Thai institutional and retail food markets are structured in a similar fashion simply because food importers sell in both the Thai retail and institutional markets. For the purpose of this report, the institutional market will include hotels, restaurants, hospitals, universities and office cafeterias.

While the growth rate of this sector is not as pronounced as in the retail market, Canadians should not discount this component of the market. Thai people regardless of income or socio-economic status, eat out of the home much more often than the average Canadian. Eating out is a way of life, and a major component of Thailand's society. The food and beverage operations of most of Thailand's major hotels contributes substantially to the bottom line of overall hotel revenues. While the growth of suburbs and the move towards more western food preparation at home will continue to spur growth in the retail grocery market, there is no indication that the institutional market will suffer. Quite the contrary. With the recent substantial increase in the average income of most urban Thais, people are not only continuing to eat out, but are also eating better and more expensive foods when they go out.

Structure

As in Canada, most large institutions procure their food needs via their purchasing department. Should a Canadian food exporter wish to sell a specific product directly to a targeted institution, it is feasible that they could deal directly with the respective purchasing department. However, in an attempt to keep their number of suppliers at a manageable number, most institutions would prefer to buy products through a distributor, and preferably a distributor or importer which they know already. Still, it is possible and in some cases preferable to sell directly -- particularly when volumes are substantial.

In contrast, most of the smaller restaurants in Thailand almost exclusively use local products which are obtained from local "wet-markets" or directly from the producers. These wet-markets are the traditional "grocery" outlets for Thais (before the advent of modern "grocery stores").

Institutions have favourite suppliers. In Bangkok, many of the larger institutions procure imported meat products, fresh fruits, and vegetables from the following companies: Nanasiam Foods, Choice Foods, Siam Foods, Euro Fashion, Ek-Thai and Goya. Details on each of these companies can be found in the Directory of Thai Food Importers, Section V of this report. Imported beverages are usually obtained from the following importers: Asian Food Group (Thailand), Riche Monde (Thailand), Nathakij, HageMayer (Thailand), Inchcape and Wanichwattana. Again, details of these companies can be found in Section V.

An interesting development is taking place in the way institutions procure food. With the increasing popularity of Superstores, it was discovered that many institutions (particularly small to medium sized) are obtaining food and dry goods at new superstores such as Macro.

Opportunities

For the institutional like the retail market, Canadians should once again concentrate on niche opportunities. Reference is made in this report to the potential market for Canadian salmon and lobster, beer, as well as frozen french fries and other specialty frozen products. As many Thais in the higher income bracket look to the food and beverage outlets in hotels for culinary cues and future trends, it is advisable to target hotels during the introduction period of a particular food product. It is also not uncommon for hotels or up-market restaurants to run "theme" weeks or months when they feature the foods of a specific country. These promotions are often organized in conjunction with the Commercial Section of the Canadian Embassy in Bangkok, so it is advisable to contact them for information on upcoming events of this nature. However, depending on the situation, you may wish to approach a hotel independently, or through your distributor or agent in Bangkok. It is also not uncommon for a hotel to sponsor a special event for one specific product (ie Alberta beef).

Despite the opportunity of being able to sell directly to hotels and other institutions, if the institution does not normally buy directly from a manufacturer, it is advisable for Canadian exporters to establish a relationship with a distributor or agent in order to distribute their products to this sector of the market.

An additional area of opportunity for Canadians is the market for institutional food products to supply the rapidly growing western-style fast-food market. Fast food (ie McDonald's, Burger King, as well as several home-grown Thai fast food stores) have only been in existence since 1988. In the intervening 6 years, fast-food dining has exploded in popularity. This has created a tremendous demand for products such as frozen french fries, prepared entrees, pre-packaged condiments, controlled portion dairy products (ie creamers), as well as an array of cooked and semi-cooked products (ie soup stocks, prepared vegetables, etc.).

Meat is popular in Thailand and while there are periods where religious beliefs dictate a "meatless" diet, this does not dampen the demand for meat and meat products -- particulary in the institutional market. For Canadians, opportunities can exist in this area, but extensive promotional efforts (often in association with a Canadian based marketing board) are usually necessary for success. Lamb is popular, as is beef and to some extent, veal. Local chicken production is high and the quality is good, therefore imports would face very strong local competition. Pork is popular, although there is also substantial local production.

However, Canadian meat experiences an image problem. In an interview with one of the top importers of meat, it was discovered that the importers' customer base rarely, if ever, ask for Canadian meat. This is because most Thais are not aware of Canadian products. This stands in stark contrast to meat from the USA which enjoys a very good and wide-spread reputation. This reputation has come about through repeated promotions in restaurants, hotels, grocery stores and even department stores.

As was examined in the preceding section on the retail sector (Section II), the emerging middle class, the rise in disposable income and the penchant for things western are the same factors shaping the development of the institutional food sector in Thailand. However, the growth of the institutional sector is also being assisted by the rise in tourist arrivals who consistently look for and pay a premium for imported foods. Any way you look at this market, there are opportunities for Canadian producers of food products.

V. LISTING OF THAI COMPANIES THAT CURRENTLY IMPORT FOOD STUFFS

NB: Firms which import goods from Canada are indicated with an asterisk*.

1. NAME : BOON RAWD INTERTRADE CO., LTD.
   ADDRESS : 2784/1 SUKHUMVIT 66/1 SOI PHUNSI
   BANGNA BANGKOK 10260
   TEL : 3935472, 3938387, 3936764
   FAX : 3938754
   SINCE : 1988
   PRODUCTS : LIQUOR, WHISKY, WINE FROM U.K.,FRANCE
   CONTACT : MR. THAMMANOON TECHAKAMPUCH, DIVISION MANAGER

2. NAME : WANDER (THAILAND)
   ADDRESS : 89/5 MOO 10 SOI WAT SUANSOM
   POOCHAOSAMINGPRAI SAMUTPRAKARN
   TEL : 3945442,3945452
   FAX : 3843592
   SINCE : 1987
   PRODUCTS : OVALTINE SWISS FORMULA
   CONTACT : MR. SCHARE, FACTORY MANAGER

3. NAME : CP INTERTRADE CO., LTD.
   ADDRESS : 313 SILOM ROAD, CP TOWER, BANGKOK 10330
   TEL : 2310221/50
   FAX : 2310286
   SINCE : 1979
   PRODUCTS : FEED ADDITIVES

4. NAME : EUREKA PRODUCTS (THAILAND) CO. LTD.
   ADDRESS : 94 SOI PRASANMIT, SUKHUMVIT RD.
   BANGKOK 10110
   TEL. : 2583777
   FAX : 2583778
   SINCE : 1984
   PRODUCTS : CREAM POWDER, MILK PRODUCT, FAT

5. NAME: : SEAGRAM (THAILAND) CO. LTD.*
   ADDRESS : 14TH FL. IFCT BLDG., 1770 NEW PETCHBURI RD.
   HUAYKWANG, BANGKOK 10310
   TEL : 2548050/4
   FAX : 2548060
   SINCE : 1981
   PRODUCTS : WHISKY AND WINE
   CONTACT : MISS THANAWAN

6.	NAME	:	PIRIYAPOOL INTERNATIONAL CO. LTD.
	ADDRESS	:	539/4 SRI AYUDHAYA RD., RATCHATHEVI, BANGKOK 10400
	TEL	:	2465501, 2460403
	FAX	:	2465489
	SINCE	:	1986
	PRODUCTS	:	CONSUMER PRODUCTS, CIGARETTES, CIGARS AND CANNED FOODS
	CONTACT	:	MR. CHUSAK PIRIYAPOOL, MANAGING DIRECTOR
7	NAME	:	OSOTHSAPHA (TECK HENG YOO) CO., LTD.
	ADDRESS	:	75 WHITE GROUP BLDG., SOI RUBIA SUKHUMVIT 42, PRAKHANONG, BANGKOK 10110
	TEL	:	3819935/54
	FAX	:	3819963
	SINCE	:	1974
	PRODUCTS	:	CONSUMER PRODUCTS AND INFANT MILK PRODUCTS, RAW MATERIALS FOR REPROCESSING
	CONTACT	:	MR. VISITH KITINANTHAPAN INTERNATIONAL MARKETING MANAGER
8.	NAME	:	BERLI JUCKER CO. LTD.
	ADDRESS	:	99 SOI RUBIA, SUKHUMVIT 49, PRAKHANONG, BANGKOK 10110
	TEL	:	3671637, 3671649/52
	FAX	:	3814549
	SINCE	:	1928
	PRODUCTS	:	KITCHENWARE, STATIONERY, PAPER, COSMETICS, FOODS AND GLASSWARE
	CONTACT	:	CONSUMER PRODUCT MANAGER
9.	NAME	:	INCHCAPE THAILAND (FORMER BORNEO THAILAND)
	ADDRESS	:	2160 RAMKHAMHAENG RD., BANGKAPI, BANGKOK 10240
	TEL	:	3740021/59 ext. 1601
	FAX	:	3748378
	SINCE	:	1968
	PRODUCTS	:	FOOD PRODUCTS AND BEVERAGES
	CONTACT	:	MR. JUMPOL DITWANNAKUL, DIVISION MANAGER

10.	NAME	:	DUMEX THAILAND
	ADDRESS	:	359 THEPARAK ROAD, BANGNA-TRAD KM. 23 BANGPLEE, SAMUTPRAKARN 10540
	TEL	:	3153230/42
	FAX	:	31533229
	SINCE	:	1977
	PRODUCTS	:	CONFECTIONS AND FOODS
	CONTACT	:	MISS ANCHUREE PONGSUTHIRAK PRODUCT MANAGER
11.	NAME	:	CENTRAL DEPARTMENT STORE LTD.
	ADDRESS	:	1027 PLOENCHIT ROAD, PATUMWAN, BANGKOK 10330
	TEL	:	2556955 EXT. 2640
	FAX	:	2555754
	SINCE	:	1968
	PRODUCTS	:	FULL LINE OF FOODS AND CONFECTIONS
	CONTACT	:	MISS WALLAYA JIRATHIWAT PURCHASING MANAGER SUPERMARKET DIVISION
12.	NAME	:	NESTLE TRADING (THAILAND) CO. LTD.
	ADDRESS	:	500 PLOENCHIT ROAD, AMARIN TOWER PATUMWAN, BANGKOK 10330
	TEL	:	2569125
	FAX	:	2569156
	SINCE	:	1968
	PRODUCTS	:	INFANT MILK PRODUCTS
13.	NAME	:	ITALTHAI INDUSTRIAL CO. LTD.
	ADDRESS	:	ITALTHAI BLDG., 2013 NEW PETCHBURI ROAD HUAY KWANG, BANGKOK 10310
	TEL	:	3191031/40 EXT. 1475
	FAX	:	3182302
	SINCE	:	1955
	PRODUCTS	:	BRANDY, WINE, WHISKY
	CONTACT	:	MISS WANVICHIT CHUATONG ASSISTANT TO MARKETING MANAGER F& B DIVISION
14.	NAME	:	CHAMPACA CO., LTD.
	ADDRESS	:	142/4 SOI SUKSAVITHAYA, SILOM, BANGKOK 10500
	TEL	:	2354580/1, 2353257
	FAX	:	2381694, 2368062
	SINCE	:	1975
	PRODUCTS	:	SNACKS, BISCUITS AND FRUIT JUICE
	CONTACT	:	MISS SAIROONG

15.	NAME	:	S W N INTERTRADE*
	ADDRESS	:	537/184-185 SATHUPRADIT ROAD, YANNAWA BANGKOK
	TEL	:	2948678/83
	FAX	:	2946774, 2947150, 2947170
	SINCE	:	1974
	PRODUCTS	:	MINERAL WATER FROM CANADA
	CONTACT	:	MR. SONCHAI RATANACHATCHUCHAI MANAGING DIRECTOR
16.	NAME	:	SINO PACIFIC TRADING
	ADDRESS	:	527/31-34 THANURAT ROAD VORRARAT TRADE CENTRE, BANGKOK 10120
	TEL	:	2874724/9
	FAX	:	2872633
	SINCE	:	1970
	PRODUCTS	:	CONFECTIONS, CANNED FOOD, PROCESSED MEAT
	CONTACT	:	MR. SIRIPAT SAWADBURI ASSISTANT TO GENERAL MANAGER
17.	NAME	:	K T Y INTERTRADE
	ADDRESS	:	11 SOI MANKHIAN, 4 RAMKHAMHAENG RD. BANGKOK
	TEL	:	3143554, 3146910
	FAX	:	3187287
	SINCE	:	1970
	PRODUCTS	:	CONFECTIONS
	CONTACT	:	MR. PREECHA
18.	NAME	:	ALPINA (THAILAND) LTD.
	ADDRESS	:	518/3 PLOENCHIT ROAD, PANUNEE BLDG. 4TH F PATUMWAN, BANGKOK 10330
	TEL	:	2517432
	SINCE	:	1982
	PRODUCTS	:	CONSUMER PRODUCTS AND COSMETICS
19.	NAME	:	MAHABOON CORP. LTD.
	ADDRESS	:	1082/23-26 PHAHOLYOTHIN ROAD, BANGKOK 10900
	TEL	:	2720531/41
	FAX	:	2720597
	SINCE	:	1977
	PRODUCTS	:	MILK POWDER, ANHYDROUS MILK FAT, WHEY POWDER, BORCILAC, FOODSTUFF, CHEMICAL COLOURS
	CONTACT	:	MISS PATAMA PAKDIRAT MISS VILAI MALERTRUTHAI

20.	NAME	:	SAHAPATANAPIBUL
	ADDRESS	:	2156 NEW PETCHBURI ROAD, HUAYKWANG, BANGKOK
	TEL	:	3180062,3181659/72, 3144771
	FAX	:	3181678
	SINCE	:	1952
	PRODUCTS	:	CONFECTIONS, BEVERAGES
21.	NAME	:	M D S INTERNATIONAL (T A S FOOD PRODUCTS)
	ADDRESS	:	769/11 SOI CHAOPRAYASIAM, CHARANSANITWONG ROAD, BANGKOK 10700
	TEL	:	4340250
	SINCE	:	1978
	PRODUCTS	:	CONFECTIONS
22.	NAME	:	PRAIRIE MARKETING
	ADDRESS	:	35 SOI LERTNAVA, KRUNGTHEPKREETHA ROAD BANGKOK
	TEL	:	3771386/7
	FAX	:	3770741
	SINCE	:	1987
	PRODUCTS	:	CONFECTIONS
	CONTACT	:	MISS ARAPIN JONGSUPPAT MARKETING DIVISION
23.	NAME	:	S & P RESTAURANT AND BAKERY SYNDICATE
	ADDRESS	:	457 SOI THONGLOR, 25 SUKHUMVIT 55 PRAKHANONG BANGKOK 100110
	TEL	:	3902830/3, 3919340
	FAX	:	3812790
	CONTACT	:	MRS. PATTRA SILA-ON
	PRODUCTS	:	BAKERY GOODS
24.	NAME	:	MAH BOON KRONG TRADING
	ADDRESS	:	10TH FL. 313 SILOM ROAD, BANGKOK 10500
	TEL	:	2353670/4
	FAX	:	2366797
	PRODUCTS	:	FULL LINE OF GROCERIES
25.	NAME	:	ROBINSON DEPARTMENT STORE
	ADDRESS	:	139 RATCHADAPISEK ROAD, HUAYKWANG, BANGKOK 10310
	TEL	:	2499344/9, 2488355
	FAX	:	2460151
	PRODUCTS	:	FULL LINE OF GROCERIES AND CONSUMER GOODS
	CONTACT	:	MISS PATCHAREE PORNANANRAT PURCHASING MANAGER, GROCERY DEPARTMENT

26. NAME : HOME FRESHMART
ADDRESS : THE MALL DEPARTMENT STORE
1090 RAMKHAMHAENG ROAD, BANGKAPI,
BANGKOK
TEL : 3101000
FAX : 3146605
CONTACT : MR. PRATEEP JAIMAN, PURCHASING DIRECTOR

27. NAME : SIAM MACRO
ADDRESS : 3498 LARDPRAO ROAD, KLONGCHAN
BANGKAPI, BANGKOK 10240
TEL : 3757000
CONTACT : PURCHASING DIRECTOR
PRODUCTS : BULK GROCERY ITEMS

28. NAME : SAVE ONE
ADDRESS : 139 RATCHADAPAPHISEK RD.
HUAYKWANG, BANGKOK 10400
TEL : 2475300 EXT. 1952

29. NAME : ABRI SYSTEMS (THAILAND)
ADDRESS : 12 SUKHUMVIT SOI 1
TEL : 2529166/9

30. NAME : DIETHELM FOOD DIVISION
ADDRESS : 2533 SUKHUMVIT ROAD, PRAKHANONG
BANGJAK, BANGKOK 10250
TEL : 3326060/89

31. NAME : DO FOOD CO., LTD.*
ADDRESS : 118 MOO 6, BANGJAK DISTRICT
AMPHUR PRAPADAENG, SAMUT PRAKARN
TEL : 4641593
FAX : 4641552
PRODUCTS : CANADIAN SEAFOOD

32. NAME : ASIAN FOOD GROUP (THAILAND)
ADDRESS : 582 SUKHUMVIT 71, PRAKHANONG,
BANGKOK 10110
TEL : 3919001, 3913857, 3917220
PRODUCTS : BEVERAGES

33. NAME : RICHE MONDE (THAILAND)
ADDRESS : 132 WIRELESS ROAD, BANGKOK 10500
TEL : 2500672/4,2500232
PRODUCTS : BEVERAGES

34.	NAME	:	NATHAKIJ
	ADDRESS	:	2098/656 MOOBAN PREECHA, RAMKHAMHAENG ROAD, BANGKOK 10260
	TEL	:	3001359
	PRODUCTS	:	BEVERAGES
35.	NAME	:	HAGEMAYER (THAILAND)
	ADDRESS	:	719 SIPHYA ROAD, BANGKOK 10500
	TEL	:	2375457/64
	FAX	:	2369419
	PRODUCTS	:	BEVERAGES
36.	NAME	:	WANICHWATTANA
	ADDRESS	:	41 ANUWONG ROAD, BANGKOK 10100
	TEL	:	2222450, 2248044
	PRODUCTS	:	BEVERAGES
37.	NAME	:	NANASIAM FOODS
	ADDRESS	:	26/5 MAHAESAK ROAD, BANGRAK, BANGKOK
	TEL	:	2331574, 2349513
	FAX	:	2361662
	PRODUCTS	:	MEAT PRODUCTS, FRESH FRUITS AND VEGETABLES
38.	NAME	:	CHOICE FOODS
	ADDRESS	:	595/10-11 NAKHONCHAISRI, NAKHONPATHOM
	TEL	:	034-331857, 034-332503
	FAX	:	2585090
	PRODUCTS	:	MEAT PRODUCTS, FRESH FRUITS AND VEGETABLES
39.	NAME	:	SIAM FOODS
	ADDRESS	:	2439 OLD PAKNAM RAILWAY ROAD PRAKHANONG, KLONGTOEY, BANGKOK 10110
	TEL	:	2495087
	PRODUCTS	:	MEAT PRODUCTS, FRESH FRUITS AND VEGETABLES
40.	NAME	:	EURO FASHION (EUROFOODS)
	ADDRESS	:	126/32 EKAMAI, SUKHUMVIT 63, PRAKHANONG, BANGKOK 10100
	TEL	:	3917462
	PRODUCTS	:	MEAT PRODUCTS, FRESH FRUITS AND VEGETABLES
41.	NAME	:	EK-THAI
	ADDRESS	:	353/35 LARDPRAO SOI 122, BANGKAPI, BANGKOK
	TEL	:	5422697
	PRODUCTS	:	MEAT PRODUCTS, FRESH FRUITS AND VEGETABLES

42.	NAME	:	GOYA
	ADDRESS	:	13 SOI 12, SERI 2 ROAD, BANGKOK
	TEL	:	01-91441577
	FAX	:	3187436
	PRODUCTS	:	MEAT PRODUCTS, FRESH FRUITS AND VEGETABLES
43.	NAME	:	SIAM JUSCO
	ADDRESS	:	129 RATCHADAPISEK ROAD, HUAYKWANG, BANGKOK 10400
	TEL	:	6412805/10
	FAX	:	2465985, 2458760
	CONTACT	:	MR. SUMISUWA TAKAKUMI
	PRODUCTS	:	BUYING DEPT. FOR LARGE GROCERY STORE
44.	NAME	:	TOKYU MERCHANDISE DEVELOPMENT
	ADDRESS	:	1/1 SRIVARA HI-TECH TOWER, SIAM RUAMMIT ROAD, HUAY KWANG, BANGKOK 10310
	TEL	:	2474204
	FAX	:	2474206
	CONTACT	:	KHUN THAVORN LEEPROM
	PRODUCTS	:	BUYING DEPT. FOR LARGE JAPANESE STORE
45.	NAME	:	THAI DISTRIBUTION CENTER CO., LTD.
	ADDRESS	:	76/1 MOO 6 TALINGCHAN-BANGBUATHONG ROAD, BANGRAKPATANA, BANGBUATHONG, NONTHABURI 11110
	TEL	:	02-595-0010/5
	FAX	:	02-595-0009
	CONTACT	:	MR. SOMCHAI SIRIVICHAYAKUL, MANAGING DIRECTOR
	PRODUCTS	:	DISTRIBUTION CENTER FOR NORTHERN THAILAND
46.	NAME	:	SIAM GRAIN INTERTRADE
	ADDRESS	:	16TH F. WALL STREET TOWER, SURAWONG ROAD, BANGKOK 10500
	TEL	:	2332284/5
	FAX	:	2363941
	PRODUCTS	:	GRAIN, WHEAT, FLOUR
47.	NAME	:	THAI FLOUR MILL INDUSTRY
	ADDRESS	:	183 REGENT HOUSE 7TH FL, RACHADAMRI ROAD, BANGKOK 10500
	TEL	:	2511769, 2515410
	FAX	:	2533729
	PRODUCTS	:	WHEAT, GRAIN, FLOUR

48. NAME : THAI PRESIDENT FOOD
ADDRESS : 2154/1 TF BLDG., NEW PHETBURI ROAD, HUAYKWANG, BANGKOK 10310
TEL : 3181026/34
FAX : 3181087
PRODUCTS : WHEAT, GRAIN, FLOUR

49. NAME : LAEMTHONG
ADDRESS : 1126/1 VANICH BLDG., NEW PHETBURI ROAD, HUAYKWANG, BANGKOK 10400
TEL : 2550255, 2553777
FAX : 2534180
PRODUCTS : WHEAT, GRAIN, FLOUR

50. NAME : UNITED FLOUR MILL
ADDRESS : 180-184 RACHAWONG ROAD, BANGKOK 10100
TEL : 2225192, 2250200
FAX : 2245529
PRODUCTS : WHEAT, GRAIN, FLOUR

51. NAME : SIAM FLOUR TRADING
ADDRESS : 205 RACHAWONG ROAD, BANGKOK 10100
TEL : 2260680
FAX : 2244368
PRODUCTS : WHEAT, GRAIN, FLOUR

52. NAME : BANGKOK FLOUR MILL
ADDRESS : 46/1 SOI WAT MAHAWONG, POOCHAOSAMINGPRAI ROAD, SAMRONG, SAMUTPRAKARN
TEL : 3981230, 3992266, 3991650, 3939104/5
FAX : 3615877
PRODUCTS : WHEAT, GRAIN, FLOUR

53. NAME : S. CHAIWAREE
ADDRESS : 29/1 EKACHAI ROAD, NADEE, SAMUTSAKORN 74000
TEL : 034-422226
FAX : 034-422225
PRODUCTS : SMOKED SALMON

54. NAME : SIAM FOOD SUPPLY
ADDRESS : 156 SAI-LUARD ROAD, MUANG DISTRICT, SAMUTPRAKARN 10280
TEL : 3951038, 3952272, 3952306
FAX : 3872648
PRODUCTS : SMOKED SALMON

55. NAME : SURAPON SEAFOOD
ADDRESS : 247 THEPARAK ROAD, SAMRONG NUA, SAMUTPRAKARN 10270
TEL : 3944171/4
FAX : 3842344
PRODUCTS : SMOKED SALMON

56. NAME : UNICORD
ADDRESS : 606-608 LUANG ROAD, POMPRAB, BANGKOK 10100
TEL : 2250025
FAX : 2249308
PRODUCTS : SMOKED SALMON

57. NAME : NARONG FOOD
ADDRESS : 1668/78 CHAROENKRUNG, 54 YANNAWA, BANGKOK 10120
TEL : 2111120, 2125258/9, 2125670/2
FAX : 2124319
PRODUCTS : SMOKED SALMON

58. NAME : SONGKHLA CANNING
ADDRESS : 30/20-21 SILOM ROAD, SALADAENG SOI 2, BANGKOK 10500
TEL : 2230111/3, 2249850/9
FAX : 2243846, 2240874
PRODUCTS : SMOKED SALMON

LIST OF TRADING HOUSES

1.	NAME	:	A-1 TRADING
	ADDRESS	:	174/4-6 SILOM, BANGKOK
	TEL	:	2339659, 2347657, 2344299, 2366768
2.	NAME	:	ASOKE INTERNATIONAL
	ADDRESS	:	OCEAN INSURANCE BUILDING 163 SURAWONG ROAD, BANGRAK, BANGKOK 10500
	TEL	:	2346603/8, 2346555/9
	FAX	:	2367394, 2385427
3.	NAME	:	C. ITOH THAILAND
	ADDRESS	:	62 SILOM ROAD, BANGKOK
	TEL	:	236-0128, 2363549, 2367331, 2369127/34
	FAX	:	2365385
4.	NAME	:	CHIENTEIK BROTHERS
	ADDRESS	:	5 SOI NANA NUA SUKHUMVIT, BANGKOK
	TEL	:	2500290/2
	FAX	:	2535784
5.	NAME	:	CP INTERTRADE
	ADDRESS	:	CP TOWER 19TH FLOOR, 313 SILOM ROAD, BANGKOK 10500
	TEL	:	2310231/50
	FAX	:	2320285/6
6.	NAME	:	DIETHELM TRADING
	ADDRESS	:	140/1 WIRELESS ROAD, BANGKOK
	TEL	:	2559115
	FAX	:	2560200
7.	NAME	:	EAST ASIATIC (THAILAND)
	ADDRESS	:	1168/92-109 31-36 FL. LUMPINI TOWER RAMA IV ROAD, BANGKOK 10120
	TEL	:	2856677
8.	NAME	:	ITALTHAI GROUP
	ADDRESS	:	2013 NEW PETBURI ROAD, BANGKOK 10310
	TEL	:	3191031/40
	FAX	:	3182654

9. NAME : HAGEMEYER (THAILAND)
ADDRESS : 719 SIPHYA ROAD, BANGKOK
TEL : 2375457/64
FAX : 2369419

10. NAME : KANEMATSU (THAILAND)
ADDRESS : 7TH 62 THANIYA BUILDING, SILOM ROAD, BANGKOK 10500
TEL : 2363522, 2383121/3
FAX : 2367367

11. NAME : KIAN GWAN (THAILAND)
ADDRESS : 138-40 WIRELESS ROAD, BANGKOK
TEL : 2559000/19
FAX : 2537371

12. NAME : LOXLEY (BANGKOK)
ADDRESS : 304 SUAPA ROAD, BANGKOK 10100
TEL : 2116121, 2250199
FAX : 2244499

13. NAME : MAH BOONKRONG TRADING
ADDRESS : 10TH FL., YADA BUILDING, 56 SILOM ROAD, BANGKOK 10500
TEL : 2353670/4
FAX : 2366797

14. NAME : NISSHO IWAI (THAILAND)
ADDRESS : THANIYA PLAZA BUILDING, SILOM ROAD, BANGKOK
TEL : 2312265/91
FAX : 2312307/9

15. NAME : NOMURA TRADING
ADDRESS : 31 MAHAPRUETHARAM ROAD, BANGKOK 10110
TEL : 2312265/91
FAX : 2313254

16. NAME : PREMIER INTERNATIONAL
ADDRESS : 1 SOI PREMIER, SRINAKARIN, BANGKOK
TEL : 3011200, 3980029, 3011000
FAX : 3981190, 3981194

17. NAME : SCT
ADDRESS : SIAM CEMENT ROAD, BANGSUE, BANGKOK 10300
TEL : 5863333, 5864444
FAX : 5872145, 5870750

18. NAME : WATANA INTER TRADE
ADDRESS : 7TH FL. THANIYA BLDG., 62 SILOM ROAD, BANGKOK 10500
TEL : 2363497

VI. LISTING OF AVAILABLE REFRIGERATED STORAGE FACILITIES

While the attached listing of Thai cold storage facilities appears to be substantial, in reality it can be difficult to secure refrigerated storage space. Canadian exporters of perishable products are well advised to verify adequate cold storage for their products BEFORE shipment. Given Thailand's tropical climate, this issue is of critical importance.

1.	NAME	:	ASIAN SEAFOOD
	ADDRESS	:	742 SOI KLUAYNAMTHAI ARTNARONG RD. KLONGTOEY BANGKOK 10110
	TEL	:	2497113,2499324,2499325/6,2497263
	FAX	:	2495256
2.	NAME	:	BURAPA COLD STORAGE
	ADDRESS	:	30 SOI SAPANPLA CHAROENKRUNG BANGKOK
	TEL	:	2113433,2115767,2111394,2126010/1
3.	NAME	:	CALYX COLD STORAGE
	ADDRESS	:	333 MOO 7 SOI WAT THONG KHONG MUANG DISTRICT SAMUTPRAKARN 10280
	TEL	:	3871131,3871122/3,3871613
	FAX	:	3871130
4.	NAME	:	CHAIWAREE MARINE PRODUCT
	ADDRESS	:	52/13 SOONTHORNKOSA KLONGTOEY BANGKOK 10120
	TEL	:	2495667
5.	NAME	:	CHAIWARUT
	ADDRESS	:	2044/154-5 CHAN RD. BANGKOK 10120
	TEL	:	2875073
6.	NAME	:	CHAOPHAYA COLD STORAGE
	ADDRESS	:	1668/81 CHAROENKRUNG BANGKOK
	TEL	:	2114181,2113087,2112929,2114186 2115704
7.	NAME	:	COLD STORAGE INDUSTRY ASSOCIATION
	ADDRESS	:	167 SOI CHAROENKRUNG, 64 YANNAWA BANGKOK 10120
	TEL	:	2111231/2
	FAX	:	2110381

8.	NAME	:	FAREAST MARINE PRODUCTS
	ADDRESS	:	555 MOO 8 THEPARAK RD. SAMUTPRAKARN
	TEL	:	3941798
9.	NAME	:	GREAT WALL
	ADDRESS	:	59 MOO 2 PATHUMTHANI-LADKIINJAEW RD. PATHUMTHANI
	TEL	:	5812560/1,5816392,5812228/9 5812563/4
	FAX	:	5815512
10.	NAME	:	INTER-REGION COLD STORAGE
	ADDRESS	:	199/3 MOO 14 SUKHAPIBAN 2 ROAD BANGKAPI BANGKOK
	TEL	:	3288007,3288066
	FAX	:	3288675
11.	NAME	:	NAMSINTHAI
	ADDRESS	:	155 SOI MITPHADUNG NEW RD. BANGKOK 10120
	TEL	:	2123893,2124687/8,2128306/7
12.	NAME	:	PITI COLD STORAGE
	ADDRESS	:	333 SOI HAAD AMARALAK SCHOOL TAIBAN SAMUTSAKORN
	TEL	:	3954277/8,3950808,3951116,3953873,3953871
13.	NAME	:	PRANAKORN COLD STORAGE
	ADDRESS	:	1050/3-5 SOI WAT DOKMAI SATHUPRADIT RD. BANGKOK
	TEL	:	28426995/6
14.	NAME	:	SAKOL COLD STORAGE
	ADDRESS	:	1668/75 NEW ROAD BANGKOK 10120
	TEL	:	2110838,2112697,2112874,2113075,2115404
15.	NAME	:	SALAPEE COLD STORAGE
	ADDRESS	:	298/25 SOI SALAPEE 3 LARDYA RD. KLONGSAN BANGKOK 10600
	TEL	:	4378855,4375292
16.	NAME	:	SALAPEE COLD STORAGE
	ADDRESS	:	111/3 MOO 5 BY RANGSIT CANAL BANGKOK
	TEL	:	5012728

17.	NAME	:	SINSAMUT COLD STORAGE
	ADDRESS	:	57/1 EKACHAL ROAD SAMUTSAKHON
	TEL	:	034-412855,034-411258,034-411283, 034-423553
	FAX	:	034423979
18.	NAME	:	THAILAND FISHERY COLD STORAGE
	ADDRESS	:	592 SOI JEKPANG TAIBAN SAMUTSAKORN
	TEL	:	3954780,3872228,3871171.7
	FAX	:	3872227
19.	NAME	:	THAI YOKOREI CO., LTD.
	ADDRESS	:	122-122/1 2ND. KASETRUNGRUENG BLDG. NORTH SATHORN RD. BANGRAK BANGKOK 10500
	TEL	:	2382477,2371804,2367568-87 EXT. 230-2
	FAX	:	2369441 BANGPAKONG FACTORY 01-9163765 SAMRONG FACTORY 01-2134179
20.	NAME	:	YANNAWA COLD STORAGE
	ADDRESS	:	2233/4 CHAROEN NAKHON RD. KLONGSAN BANGKOK 10600
	TEL	:	4377290

VII. INDIVIDUAL REPORTS ON FOOD FOR HUMAN CONSUMPTION

1. DAIRY PRODUCTS

Milk

The first dairy products introduced to Thailand were condensed milk and milk powder, which were easily stored. Sweetened condensed milk became the main dairy product during the 1960s and 1970s. In the early 1980s the per capita consumption of milk (in various forms) was only 3-4 litres per year. However, the Government's active milk promotion campaign in the mid 1980s increased public awareness of milk's nutritional value and per capita consumption of milk increased to approximately 10 litres by the end of the 1980s. It is currently estimated to be at 13 or 14 litres per capita. Thus, the local dairy industry is growing rapidly.

As shown in Table 1, while the size of the Thai dairy herd more than doubled over the past four years, the total number of dairy cattle is still small, growing to 210,000 head in 1992. In addition, approximately half of these cattle are of milk yielding age. The total number of milk cows was only 111,000 in 1992.

Although raw milk output has begun to increase more rapidly since the late 1980s, it was estimated that total milk output met less than one quarter of total demand in the country in 1992. As shown in Table 2, raw milk output increased from 74,000 tonnes in 1987 to 174,000 tonnes in 1992; 14 and 23 percent of demand respectively. While the volume of domestic milk production will increase more rapidly than demand over the next few years, demand will still be in excess of supply in the foreseeable future. In 1996 the raw milk supply is only expected to meet 31 percent of forecasted demand.

The shortfall in domestic raw milk production is filled primarily through importation. The main dairy products imported are that of milk powder and butter oil, from which recombined fluid milk is produced locally. This is then mixed with a smaller proportion of locally produced raw milk to be used in the manufacture of locally marketed dairy products. The value of key dairy imports is shown in Table 3. The 1992 total value of these products has been estimated at over 4.4 billion baht (C$ 231.6 million).

Key growth segments in the domestic dairy industry are ready-to-drink milk, yogurt and ice cream, as well as in tetra-pak technologies for milk packaging.

Ready-to-drink milk: Ultra-High Temperature (UHT), comprises the largest share in this sub-segment and demand is growing by about 15-20 percent per year. The main source of demand for UHT milk is in the up-country provinces. In contrast, demand for fresh pasteurised milk is rising significantly in the Bangkok region and other major urban centres in the country. In Bangkok in particular, pasteurised milk appears to be replacing UHT milk in the higher income consumer segment.

Yoghurt

As consumers become more health conscious, yoghurt consumption is expected to continue to post impressive gains. The yoghurt segment is broken into three segments: drinking yoghurt, which is the most popular; set yoghurt with mixed fruits; and finally, plain yoghurt. In the drinking yoghurt segment, the key company is Yakult. Yakult was a pioneer in developing the original drinking yoghurt product in Thailand. Foremost and Thai-Denmark are the other major drinking yoghurt producers competing in the market. Foremost, Dutchmill, Thai-Denmark and CP-Meiji are all key players in the set yoghurt market. Overall, the domestic yoghurt market is growing around 15-20 percent per year. Due to the immature nature of the yoghurt industry in Thailand, historic sales figures are not available; however, in 1992 the value of all yoghurt produced in Thailand was set at 1,200 million baht (approximately C$62 million - Thai BOI). The Thai Board of Investment has recently listed yoghurt production as a key investment opportunity.

TCBY, the international frozen yoghurt franchise, has been successfully operating in Thailand for the past 4 years. Competition from other frozen yoghurt franchise companies is expected to be present by the end of 1994. Thais have been extremely receptive to this new product.

Ice Cream

The ice cream market has grown dramatically over the past several years from a value of around 1.2 billion baht in 1989 (C$ 63 million) to an estimated size of approximately 3 billion baht in 1993 (C$157 million). This market is expected to continue growing at a rate of at least 20 to 25 percent per year over the next several years. At present, the per capita consumption of ice cream in Thailand is only around one litre per year. In comparison, countries such as Singapore, Malaysia, and Hong Kong consume between 4 and 5 litres per capita per year.

Within the ice cream market, the key growth sub-segment is that of premium grade and novelty products - particularly premium foreign-brand ice creams. These are distributed through ice cream parlour-type franchise outlets such as Swensen's and Baskin-Robbins. Uncle Ray brand is the main local competition in the parlour-type ice cream market. A small amount of premium grade brands are also imported as finished products. Growth in the premium ice cream sub-segment is currently estimated at between 30 and 40 percent per year. This reflects the increasing affluence of the average consumer and the increasing demand for high quality products.

If we look at this market, we will see two sectors of the business: one is local brands and the other is imported brands. Most of the local manufacturers are expanding their production and at the same time enlarging their product line as shown below:

NAME	BRANDS	CUR CAP	94'S CAP	SALE VOL.
Lever Brothers	Wall, Carte D'or	35	50	N/A
Chomthana	Cremo, Magnolia	30	60	320
Chuchart Ind.	Ducky	5	25	190
United Foods	United	2	10	N/A

Remarks:

1. Cur Cap means current capacity in million litres per year.
2. 94's Cap means estimated capacity for 1994 in million litres per year.
3. Sale Vol. is the figure of sales volume for 1992 (million litres per year).

Butter

As bakery products in the country become popular, more butter is being consumed. Opportunities to participate in expanding the production of butter in Thailand exist. Demand for butter is expected to grow by up to 20 percent per year over the next several years. The only major local manufacturer of butter is Thai Dairy Industry, which holds approximately 60 percent of the market and sells its product under the "Orchid" brand name. The remainder of the market is supplied principally by two imported brands "Allowrie" and "Dannie" (from Europe).

Cheese

At present the majority of Thailand's cheese is imported. The imported value of cheese was over 110 million baht in 1992 (C$5.8 million). The market is composed mostly of cheeses from Australia, New Zealand and the Netherlands. The market for cheese is primarily targeted towards the hotel and tourist industry and towards the expatriate community living in Thailand. However, as Bangkok becomes more cosmopolitan, Thai people are also beginning to consume more cheese through fast food outlets and restaurants.

While opportunities exist in regards to the straight forward export of food products from Canada, Canadian exporters and manufacturers should not ignore the maturing market for franchises, and other retail innovations.

Table 1 - NUMBER OF DAIRY CATTLE 1987-1992

Unit: '000 Heads

YEAR	NUMBER OF DAIRY CATTLE	NUMBER OF MILK COWS
1987	73	35
1988	93	50
1989	115	59
1990	140	72
1991	164	88
1992	211	111

Source: Office of Agricultural Economics

Table 2 - ESTIMATED PRODUCTION AND DEMAND FOR RAW MILK

Unit: Tonnes

YEAR	RAW MILK PRODUCTION	RAW MILK DEMAND	PERCENT
1987	74,000	544,390	14
1988	91,000	577,500	16
1989	109,000	603,720	18
1990	125,000	630,560	20
1991	147,000	672,600	22
1992	174,000	743,040	23
1993	204,000	814,800	25
1994	240,000	889,390	27
1995	281,000	971,480	29
1996	328,000	1,061,280	31

Sources: Office of Agricultural Economics, Industrial Economic Division, 1993-1996. Figures are estimated by SEAMICO BIR CO., Ltd.

TABLE 3 DAIRY PRODUCTS IMPORTS

UNIT: MILLION BAHT (CIF)

YEAR	MILK AND CREAM	MILK POWDER AND CREAM	YOGHURT	BUTTER MILK, FAT, OIL	BUTTER	CHEESE	TOTAL
1988	372	2,458	0.02	331	8	49	3,218.02
1989	256	2,364	0.06	42	4	74	2,740.06
1990	326	3,014	0.02	605	7	82	4,034.02
1991	298	2,846	4.00	622	7	98	3,875.00
1992	335	3,361	5.00	637	8	111	4,457.00

Source: Customs Department

2. FRESH FRUIT AND VEGETABLES

Fruit

Thailand is a net producer and exporter of fruit and vegetables; however, attention must be brought to the fact that Thailand's climate is tropical and humid. Average temperatures vary between 33 and 42 degrees C and humidity in the rainy season is often 90-100%. Therefore, fruit and vegetables that grow in a temperate climate such as Canada's, cannot be grown in Thailand. It is in the supply of these temperate fruit and vegetables that niche opportunities exist for Canadian exporters.

The market for fresh fruit has been growing at an annual rate of 10-15% in the last few years and it is predicted that this trend will continue. Again, the increased consumption patterns and rise in the standard of living have contributed to an increase in the variety of foods available and bought by Thais, particularly in Bangkok and other urban areas.

The types of fresh produce imported into Thailand are clearly outlined in the table below. It is evident that apples account for the majority of the total fresh fruit imports.

Thai Fruit Imports, 1992

19 Baht = 1C$

Types	Volume (tonnes)	Amount (baht)	%
grape	845	65,135,669	2.84
apple	26,230	17,357,079	88.2
pear	1,821	71,327,447	6.12
cherry	129	10,042,674	.43
peach	8	491,367	.03
plum	68	3,834,897	.23
others	634	44,362,961	2.13
total	29,735	1,112,552,084	100

1992: Department of Business Economics

Apples dominate the import market. In 1992, over 26 thousand tonnes of apples were imported. As shown below, 45% of these apples came from the U.S.A., particularly Washington State which has been very proactive in marketing their apples.

Origin of Imported Apples, 1992

U.S.A.	45%
Chile	20%
New Zealand	10%
Japan	10%
Others	15%

Others include; France, Australia, China, Canada and Korea.

Although fruit growers in Canada are supplying apples to Thailand, quantities are limited. As a large producer of apples, Canadian companies could secure a much larger share of this substantial market. In addition, pears and grapes with a combined market of 2,666 tonnes and a value of C$ 7.18 million should not be ignored.

Vegetables

Although there is not a large market for imported fresh vegetables, there remains small niche opportunities for Canadian vegetable producers. Thailand, which prides itself in being self-sufficient in the area of agriculture, imports limited quantities and varieties of fresh vegetables. These limited quantities are being imported to fill the expatriate and tourist demands. The two products which make up the majority of imports are tomatoes and peas. 218 tonnes of tomatoes were imported in 1992; while only 1 tonne of peas was imported.

Imports of Vegetables into Thailand 1992

19 Baht = 1C$

Type	Volume (tons)	Amount (baht)
tomato	218	8,479,607
peas	1	52,811
others	22	1,748,117
total	241	10,280,535

Source: The Department of Business Economics

Unlike fresh fruit, the market for fresh vegetables is not expected to grow significantly. Since the Thai agricultural industry growth rate has only been in the area of 3% a year, many farmers are being encouraged to switch their crops from traditional rice to different vegetables and cash crops. In addition, the Royal Project, an agricultural project endorsed by the Royal Family, has produced alternative selections of vegetables which are then supplied to the domestic market. The production of the Royal Project is substantial enough to limit the growth of imports in this area.

Most of the fresh vegetables shown in the table above are supplied to international hotels. With over twenty-five 5 star international hotels and over 140 local hotels, the hotel market in Thailand is a considerable force in the food market. The six million tourists who visit Thailand annually, and the 278,000 foreigners who live in Thailand also constitute a considerable target market.

While there are opportunities for exports of vegetables, the fruit market is a much larger market with many more possibilities.

3. FROZEN FRUITS AND VEGETABLES

In the past, Thailand has imported limited amounts of frozen fruits and vegetables. The table below shows that only 13 tonnes of frozen vegetables and 15 tonnes of frozen fruits were imported in 1992. However, with the rise in the standard of living and increase in purchasing power of the growing middle class, and the subsequent rise in the fast food industry, there are many emerging opportunities in this sector of the market.

FROZEN FRUIT AND VEGETABLES IMPORTED IN 1992

Types	Tons	Amount in C$
frozen fruits	15	49,168
frozen vegetables	13	40,704

(19 Baht = 1C$)

The bulk of the frozen fruit imported into Thailand comes in the form of berries ie. raspberries, blackberries, mulberries, logan berries and others. After importation, these berries are then used as ingredients for other products such as yoghurt, bakery goods or for dishes prepared by international hotels and restaurants. In particular, the recent growth in the franchising of frozen yoghurt and ice cream businesses are one such avenue for Canadian exports (please refer to p. 32). Another area of opportunity is the recent growth of the dairy industry in which yoghurt has proven to be very popular. The number of bakeries and coffee houses have also expanded substantially in Bangkok, in line with the new breed of young consumers with extra money and leisure time.

Frozen french fries, to supply the numerous fast food restaurants in Bangkok and other regional centres, have been imported in large quantities in the past few years and quantities are still increasing. In terms of frozen vegetables, one of the main areas of opportunity is in controlled portioned products for restaurant supply. As mentioned previously, the hotel industry is substantial in Thailand and utilizes a large share of the imports.

4. MEAT

Non-processed meat

Thailand has a substantial domestic production of beef cattle, swine, and broiler chickens. 1993/94 yielded exports of both chicken and beef bound primarily for Singapore, Hong Kong, and Japan. These exports were composed primarily of non-processed meat products.

THAI MEAT PRODUCTION AND EXPORT TARGETS, 1992

PRODUCTS	ACTUAL PRODUCTION 1992/93 (head)	EXPORT TARGETS 1993 (head)
Beef Cattle	735,410	6,000
Swine	8,695,000	0
Broiler Chicken	751,000,000	356,000,000

Source: Bangkok Monthly Review, Vol. 34, Oct 1993

Traditionally big meat eaters, Thais share their love of meat products with expatriates and tourists. Distribution of these products is widespread and established. Tourists and expatriates purchase meat products at restaurants, hotels, and grocery stores. The hotel market in particular offers a substantial niche market for Canadian exporters. Bangkok alone has over 25 five-star hotels and in excess of 140 hotels in other classes. Many hotels not only serve western meat products in their food and beverage outlets (restaurants), but also sell these products in small specialty food shops located in the hotel (particularly in the five star category).

Having overcome difficulties in the past (ie: limited export potential due to disease), Thai cattle farmers are not only satisfying this local demand but have also begun to export non-processed meat products; beef exports to Japan and Singapore continue to increase. The more mature state of this industry means that some ventures are no longer possible. However, opportunities do exist for the transfer of Canadian expertise. As Thai producers target the South East Asian market they will have to re-examine their production practices. Currently Thai breeding/raising techniques are more basic. In addition to the transfer of up-to-date livestock management knowledge, opportunities exist for the promotion of advanced Canadian slaughter practices, feed technology, and animal husbandry.

There is a growing quantity of meat products being imported into Thailand from various countries around the world. The majority are high-end products imported for tourists, expatriates and mid to upper income Thai consumers.

IMPORTS OF FRESH MEAT PRODUCTS - 1992

MEAT PRODUCT	VOLUME (TONS)	VALUE (BAHT*)
Beef	92	14,976,415
Pork **	101	5,302,283
Lamb	90	5,355,449

* 19 Baht = C$1 Source: Department of Business Economics
** Includes processed ham, bacon, sausages

SOURCE OF MEAT IMPORTS - 1992

	BEEF(%)	PORK(%)	LAMB(%)
United States	45	45	15
Australia	30	--	20
New Zealand	--	--	65
China	--	30	--
Others	25	25	--

Source: Department of Business Economics

Processed meat

The demand for processed meat products in Thailand is based on the desire to pursue 'Western' tastes. Processed meat products are also popular among expatriates and tourist visitors in Thailand who often seek that "taste of home". A large expatriate population and growing tourist trade provide a small but solid base of demand.

Over the last ten years Thai eating habits have changed. The 'westernization' of Thai tastes and habits are providing opportunities for processed meats both at the retail and institutional level; ham, bacon, sausage, and beef sectors in particular.

Breakfast eating habits, especially in the larger cities of Bangkok and Chiang Mai, are a prime example of the 'westernization' of the Thai pallet. Traditionally, breakfast has always been a rice or noodle meal that usually contains meat. While this tradition holds true today, the preferred meat of choice today has shifted somewhat towards processed goods and the convenience associated with them.

Joint venture partnerships in processed foods such as bacon, ham and other value-added processes is where opportunity lies. Numerous possibilities lie in other specialty food products such as sausage and smoked meats. The sharing of Canadian processing expertise though technology transfers could be the basis for such relationships. The use of processed meats in Thailand's burgeoning fast food industry in yet another attractive market niche to explore further.

The challenges of satisfying the needs of Bangkok consumers versus those in the outer cities are quite different. Distribution is a challenge faced by all who do business in Thailand. Bangkok is the only exception. Simply ensuring product reaches the outer cities such as Chiang Mai and Chiang Rai will be critical to success. Bangkok however has quite adequate distribution systems. The consumers in Bangkok have exposure to many if not all of the products available.

In essence, it appears that the changing lifestyles of the Thai people will fuel the future demand for both processed and non-processed meat products. For those entering the market, the main challenge will be forecasting and supplying these changing tastes, as well as educating non-users.

For additional information on the market for Canadian meat in Thailand, please refer to Section IV of this report.

5. SPIRITS AND WINE

Although only 5% of the Thai population drinks wine, its popularity is increasing as Thai tastes become more western. As a general comment, Thailand is not a nation of tea-totallers. Consumption of hard liquor (spirits) is substantial and with the rise in disposable income, the market for spirits is rapidly expanding.

THAILAND'S PRINCIPLE SPIRITS AGENTS AND THEIR KEY BRANDS
(Those companies who distribute Canadian products are marked with an asterisk*).

AGENTS	PRODUCTS
RICHE MONDE	SWING, JOHNNY WALKER, HENNESY
CALDBECK	DIMPLE, OLD PARR, BLACK & WHITE, HIDE, DEWAR'S, BELL'S VAT 69
SEAGRAM THAI*	CHIVAS REGAL, PASSPORT, MARTELL
ASSOCIATED LIQUOR	J & B, DUNHILL
ALLIED WALKER	FAMOUS GROUSE, REMY MARTIN
DIETHELM	CLAN CAMPBELL, WILD TURKEY, LARSEN
ITALTHAI	WHITE HORSE, I.W. HARPER
HAGEMEYER	OTARD
NATTAKIJ	LANG, GASTON, BEEHIVE
ASIAN FOOD	CUTTY SARK
MASTER BRAND	WILLIAM GRANT'S, JACK DANIEL'S, CAMUS, CHABOT
WANICHWATANA	WHYTE & MAKAY, MACINTYRE
POLIGNAC	SEMPE

The introduction of the value added tax (VAT) in January 1992 was greeted with uncertainty by Thai liquor importers. Many were unsure of the repercussions this tax would have on future trading strategies and subsequent inventory values. As a result, imports of liquor fell.

The situation is slowly getting better. This is due to higher disposable income and a greater understanding of the VAT. Higher salaries and wages have improved lifestyles among a growing middle class. Says Riche Monde's Paul Choong:

> *"Drinking Scotch has become a simple way of reflecting success, prosperity and confidence. Obviously rich people have more access to luxury products such as premium Scotch. Some people while not actually being rich themselves, but by doing as the rich do, can step much more easily into rich people's shoes."*

With continued economic growth and prosperity, most imported liquor brands will enjoy great popularity. So much so that the number of liquor importers keeps increasing, and many more are expected to enter the field this year. Nonetheless, only the hugely popular brands such as Johnny Walker and Chivas Regal have a truly unquestionably large and stable following. On the other hand, that has not stopped importers from bringing in other brands, in the hope of cashing in on the trend for scotch and other imported whiskies and alcoholic beverages. Despite overwhelming popular support for a relatively small number of successful and prestigious brands, some new products do succeed. Canadian spirits are well known in Thailand, particularly Canadian Club and Crown Royal.

THAILAND SPIRITS IMPORTS (UNITS OF '000 NINE-LITRE CASES)

PRODUCTS	1992	1993	1994 (estimated)
Scotch Whisky	1,500,000	1,700,000	1,800,000
Cognac	90,000	93,000	95,000
Wine	140,000	160,000	175,000
Others	15,000	15,500	16,000

Wine

Considering the dynamic growth of the wine market in Asia as a whole, particularly in Japan, wine producers worldwide are scrutinizing Asian markets to see where the market potential lies. Thailand, with a healthy economy and a fairly steady tourism flow appears to be an ideal target for wine exporters.

Tourists by far comprise the core of Thailand's wine consumers (approximately 80% of the total) followed by local expatriates at 15%. Only about 5% of the market is comprised of Thais. Wine drinking is still at its infancy in Thailand, but is rapidly growing in popularity as drinking wine connotes a very favourable social reputation.

Wines sold in Thailand are nearly all bottled imports. It's not unusual for local importers to carry a very large selection. For example, at Caldbeck MacGregor (Thailand) Ltd. there are over 200 different wines available. But Thais buying wine at supermarkets are not very particular about the brand. Four and five star hotels and European-style restaurants try to encourage wine consumption. Although some Thai, Chinese and other ethnic restaurants may also include wine in their menu, most of their customers are content to drink whisky or beer.

Promoting wine consumption is a year-round activity for top marketers, who hold "wine of the week" and "wine of the month" specials tied to hotel food promotions. Recently, wine tasting nights have been organized, especially at five star hotels as a promotional vehicle. Wine seminars are also regularly held in Bangkok and other popular tourist destinations, including Phuket, Pattaya and Chiang Mai.

In the early 1980s, less than 10,000 nine-litre cases of wine were imported annually. Since then, wine imports have steadily grown to about 160,000 cases a year, including sparkling wine and champagne, valued at approximately 400 million baht (C$21M).

Wine imports by country of origin can be roughly divided as follows:

COUNTRIES	PERCENT
FRANCE	50
AUSTRALIA	18
U.S.A. CALIF.	10
PORTUGAL	9
ITALY	8
GERMANY	4
OTHERS	1

Not surprisingly, wine is often promoted as a drink with "a touch of class". This is especially true in the case of Thai woman, as wine is considered a much more socially acceptable drink as compared to hard liquor. Thus one sees more sophisticated Thai women at cocktail parties elegantly sipping their glass of wine.

Due to Thailand's hot and humid climate, storing wine for extended periods of time is not encouraged. Humidity problems combined with the cost of air-conditioning have discouraged wine storage.

With local consumption at only 5%, the market for wine has tremendous potential. Thailand has very limited local wine production that is not anticipated to develop much further - the lion's share of the demand will be supplied by the imports. As with other products, the key to succeeding in this segment will be to locate a good distributor who is willing to spend the time and money to help educate more people about wine.

Wine Coolers

Wine coolers, a new alcoholic beverage for most Thais, still tend to be a fad drink. Regardless of the fad, there are now three companies manufacturing wine coolers in Thailand. Alcohol content has a pivotal role in wine cooler consumption. A research study conducted by T.C. Winery, manufacture of Spy wine coolers, revealed that more consumers prefer higher alcohol wine coolers compared to those with a lower alcohol content.

Spy Dry, launched more than a year ago, contains 7.5% alcohol by volume. Spy Dry's forerunner, Spy Classic, which has been on the market for three years, has 5% alcohol by volume. The fact that it did not take long before Spy Dry exceeded Spy Classic's sales volume, was largely attributed to the higher alcohol content of the new product.

Advertising for the two Spy Wine coolers was modified to project a mild drink image, suitable for women (Spy Classic), and a stronger version aimed at men (Spy Dry). Both Spy brands also stress real fermented wine as their main ingredient, reminding consumers that Spy's competitors make much greater use of fruit juice than aged wine.

When the majority of wine coolers being sold in Thailand were launched two years ago, total sales amounted to 180 million baht (C$ 9.5m). Last year sales totalled 200 million baht (C$10.5m) and it is expected that sales will increase to about 250 million baht (C$13.2m) in 1994. Thus, by industry sales levels, it remains a small but steadily growing market.

The estimated market shares of the three leading brands of wine coolers are as follows:

BRANDS	MARKET SHARE	PRODUCER
Spy (Classic and Dry)	60%	T.C. Winery
Cooler Club	25%	United Winery
Seagram Cooler	15%	S.T. Beverage

Although there is admittedly wider preference for higher alcohol wine coolers, some producers have chosen alternate strategies. United Winery, for example, has opted to continue developing more low alcohol varieties they believe will appeal to younger drinkers. For the mature market the company produces another increasingly popular product, Thai Cherry wine with a high content of alcohol by volume. It is available in 700 ml. bottles selling for 60 baht each (C$3.15) and mostly earmarked for provincial distribution (up-country).

Cooler Club is sold in a pack containing four 300ml. bottles, a popular type of packaging for wine coolers.

Thai wine cooler plants operate at between 70-80% of total capacity. Roughly 75% of raw material are obtained from local sources, 25% imported (fruit juices and some wine). All three producers do not lose sight of the fact that their products have short life cycles. There appears to be a distinct need to introduce a new product every 6 or 7 months, heavily promoted each time. While there may be no limit to better tasting, higher quality, or new flavours; constantly increasing alcohol content may backfire as Thai men will naturally turn to hard liquor if they want to get intoxicated.

Thai women on the other hand, feel shy and embarrassed to be seen drinking in public. Therefore, even a low alcohol wine cooler may be inappropriate for conservative types. This helps to explain why consumption of wine coolers in provincial areas still lags considerably behind that in Bangkok, where young and sociable females are more receptive to wine cooler advertising which emphasizes a "reward yourself" theme.

Wine coolers producers agree that they must continually increase excitement by introducing new products, while trying harder to increase sales in provincial areas. They must continually target distinct market segments: marketing strategies may involve a choice between fermented wine or fruit juice range of flavours, or a low versus high alcohol content.

Wine coolers are a small part of the whole spirits industry when compared to whisky, and beer. Nonetheless they have an important part to play in product portfolio diversification. More importantly, wine coolers could well provide the starting point for new drinkers, before moving on to more sophisticated wine products in the future.

6. BEER LICENSING

For the past six decades the Thai beer market has been dominated by a single manufacturer, Boon Rawd Brewery. With its flagship brand, Singha, Boon Rawd historically controlled more than 90% of the market. Thai Amarit is a second local but much smaller producer. Boon Rawd's domination and resulting control over distribution networks makes entry into the market difficult and challenging. As local demand continues to grow and the Thai markets become increasingly "liberalized", domestic producers are feeling the pressure from foreign groups anxious to participate in this emerging market.

There is no doubt that domestic demand for beer products in Thailand is growing. With the economy expanding at an average of nearly 10% a year, beer consumption has tripled to over 330 million litres/year in just the last five years. Some industry executives believe the market will continue to increase by 25-30% annually and potentially double its present size in another five years. This would yield a turnover of approximately C$1.789 billion by 1998 (Bangkok Post, 1993 Economic Review).

Forecasted demand figures are at least partially based on expectations of the "westernizing" of the Thai consumer. Currently, Thais from all socio-economic categories drink beer. They regard it as a "western, up market product" and prefer it over cheaper whiskies. Currently, the average Thai consumes only 4 litres of beer per year. When compared to the 30-50 litres consumed on an annual basis by individuals in developed countries, some perspective of the immense potential of this market is realized.

The opportunities in Thailand have not gone unnoticed. Most recently, Budweiser from the U.S., San Migel from the Philippines, Corona from Mexico, and Sapporo from Japan have begun efforts to enter the market. Perhaps initiating this surge of interest was Carlsberg, a Danish brewer. In 1993 it succeeded in pushing its way into the lucrative Thai beer market by establishing manufacturing operations in Bangkok. Two other companies to enter the Thai beer market are Beer Thai (1991) Co and Thai Phalit Beer Co.

BEER BREWERIES IN THAILAND - PRESENT AND FUTURE CAPACITY

COMPANIES	BRAND	LITRE/YEAR '93	LITRE/YEAR '95
Boon Rawd	Singha	500 million	700 million
Thai Amarit	Kloster & Amarit NB	27 million	127 million
Carlsberg Thailand	Carlsberg	100 million	100 million
Beer Thailand	Beer Thai	100 million	100 million
Thai Phalit Beer Co.	not revealed	100 million	100 million

Perhaps the most substantial hurdle facing new entrants to the Thai beer market is the complete dominance of the market by the Boon Rawd Brewery. Their long-time presence has provided them with established channels of distribution that yield efficient and widespread delivery of product. Also in Boon Rawd's favour is the overwhelming brand loyalty Singha enjoys as "the Thai beer".

Carlsberg has been the most successful competitor to this point; grabbing 30% of the beer market (Excise Department figures). Their entry was facilitated by the help of a powerful and influential partner, the producer and distributor of the popular Thai whisky, Mekong. Tapping into a ready-made distribution network allows new entrants to circumvent the problems of establishing new distribution channels. Launches of other beer products have failed in the past because the product was not widely available. Expect to pay heavily for use of these services. The Thai partners in the Carlsberg venture own a 90% interest.

While there is a market for foreign beer in Thailand, Canadian beer is at somewhat of a disadvantage because it is not widely known and recognized. For Canadian beer producers looking at the Thai market, the key will be to find a distributor who can work with the Canadian manufacturer to execute extensive marketing of the product. As mentioned earlier, a Thai agent should also be strongly evaluated on their ability to get the product out to a very wide array of retail and commercial outlets. The establishment of a venture to actually manufacture beer in Thailand can be a very onerous undertaking; however, success can be had in regards to importing beer directly into Thailand.

7. SEAFOOD

Thailand is one of the world's largest marine product producers, possessing a trawler fleet of more than 30,000 vessels. The Gulf of Thailand and the Andaman Sea produce an estimated 2.73 million tonnes of marine products annually. In 1993, the domestic fishery industry grew an estimated 8%.

Although there is the perception that Thailand does not have a market for imported fish because it is such a large exporter, niche opportunities do exist for cold water fish, specialty products and gourmet foods.

Smoked Salmon

In 1992, 4 tonnes of smoked salmon worth 669,831 baht (C$ 35,254) were imported into Thailand. Norway and Sweden were the primary suppliers. Canada also exports smoked salmon from British Columbia, Quebec, Newfoundland and Nova Scotia. Although these provinces do not export in large quantities, volumes are increasing.

End users of smoked salmon are leading hotels and international restaurants. Smoked salmon is also re-exported to neighbouring countries.

Cod

There is a considerable market for cod in Thailand, as cod is not found in nearby waters. The majority of cod is imported from the USSR, Hong Kong and Japan. In 1992, a total of 98,783,365 baht (C$ 519,650) worth of cod was imported into Thailand. This market has not seen growth in the last couple of years and import figures are expected to remain stable.

Specialty Products

A small, but nonetheless real market can be found in specialty products such as Atlantic lobster, Maritime crab and BC salmon. Institutions such as hotels, leading restaurants and grocery chains (in limited quantities) buy these specialty products for the tourism and expatriate trade.

In the past, Canadian food producers have failed to capitalize on their reputation for high quality, fresh products. These types of products are now being eaten more frequently in Thailand but exporters have a long way to go in terms of capitalizing on opportunities. Canadian seafood enjoys a reputation as a symbol of "status". Taking into consideration Thai consumeristic and status conscious behaviour, if marketed properly, Canadian seafood could acquire a growing share of the seafood market.

8. JUICE

The size of Thailand's juice market is very large: 1500 million baht (C$78.5 million in 1992). It is expected that the juice industry will continue at grow at a rate of 10% annually.

Thailand's retail juice market can be divided into two segments: ready-to-drink and concentrates. By far, ready-to-drink juices constitute the majority of the retail market segment. 90% of juices sold in stores are in a ready-to-drink form, available in small 6 or 8 oz. cans and larger 40 oz. cans, or in the relatively new-to-the market tetrapaks. Powders, mixes and concentrates make up less than 10% of the market.

The packaging of juices in the ready-to-drink category are available in two forms: canned juices which represent 95% of the market segment and tetrapaks, while growing in popularity, account for 5%. Glass bottling is very rare. Convenience stores typically stock smaller, individual portioned juices while the supermarkets carry both individual and larger 40 oz. cans. The tetrapak, introduced into the market only a few years ago, is used mainly in the sale of milk.

Tetrapak technology recently entered Thailand. If tetrapak's popularity with consumers in the west is any indicator, the expansion of tetrapak packaging facilities in the juice (and others) markets will be needed. As Thais continue to embrace western tastes, their demand for Canadian non-traditional (grape, apple) juice products will surely grow. With an annual growth rate of 10%, opportunities will continue to present themselves to Canadians eager to pursue this market.

In almost all brands, a high amount of sugar is added to the juice to adjust to Thai tastes. There are a limited number of juices, such as grapefruit juice imported from the United States, that do not have a high sugar content. A higher sugar content is usual in most beverages such as juices, pop, ice tea and ice coffee, etc. to account for Thais penchant for sweet tastes. This leaves Bangkok's large expatriate population, many of whom do not share the appetite for sweet drinks, with limited choices.

Juice has traditionally been thought of as a drink for the affluent. The majority of Thais outside of the Bangkok region, where the purchasing power of an individual drops dramatically, drink water or pop. A one litre bottle of water typically costs C$ .25 or C$ .30, and a 6 oz. bottle of cola also sells for about the same price. In contrast, a can of juice costs C$ .80 to 1$. Thus, in the past only the affluent have purchased juices. However, with the recent rise in living standards and the increased disposable income of the emerging middle class, consumption of consumer goods, including juices, have risen comparably. An increase in ranges of products available for consumption and wider distribution has also led to the perception that juices are no longer a drink only for the wealthy.

The following table shows imported juice figures for 1992. The majority of these imports were in the form of concentrates, which after entering Thailand, were then repackaged for the ready-to-drink market. Imports in 1992 were up 15% from the previous year which implies that the juice market is steadily growing in line with the changing tastes and buying habits of the Thais.

Navel orange juice is the most popular type of imported juice, followed by grape and apple. Thailand has a tangerine industry and tangerine juice is widely available freshly squeezed. However, the domestic market can not supply enough orange/tangerine juice to meet the demand. The expatriate population and Thais who have lived and travelled abroad are the main consumers of the imported products. Pineapple, papaya, coconut, watermelon and mango juice are also very popular but are wholly supplied by the domestic market. A very limited grape industry and a lack of an apple industry make these natural markets for Canadian exporters.

THAILAND'S TABLE OF IMPORTED JUICE FOR 1992*

JUICE	TONS	AMOUNT IN BAHT	PERCENT
Orange	157,964	7,799,753	36.78
Grapefruit	20,884	1,131,697	4.86
Pineapple	200	40,031	0.05
Tomato	9,412	393,032	2.19
Grape	123,425	4,021,677	28.74
Apple	117,595	4,941,590	27.38
TOTAL	429,480	18,327,780	100.00

(* Source: Customs Department of Thailand)

JUICE BRANDS CURRENTLY ON THE MARKET

Local Brands	Imported Brands
Zick Zack	Sunpride
Malee	Sunquick
Deli	Springvalley
Squeeze	Granini
Seaside	Delmonte
Fruitnette	Treetop
Greenway	S & W
Panchy	

Source: The Nation Database

Four major Thai producers dominate the Thai juice market:

Malee	45%
Pigeon	20%
Greenway	10%
UFC	10%
Others	15%

Although the ready-to-drink juice market has recently seen some new entrants into the market and there is more variety and selection than in the past, the juice market is still relatively unsophisticated. A limited variety of juices and forms of packaging are available to consumers who want a selection of products to choose from.

Due to the high heat and humidity of the country and the limited freezer space of both the supermarkets and individual households, concentrated frozen juices have limited demand. However, ample opportunities exist in the retail market in the forms of powders, tetrapaks, plastic containers and to some degree canned products.

Juices from fruits not produced in Thailand such as apple, grape, cranberry, lemon, raspberry, peach, etc. are very limited or non-existent in the Thai market. It is these juices which are likely to have the best potential for sales in Thailand. In addition, supplying juice to the growing wine-cooler industry is another potential area of opportunity (see page 46 for further information).

VIII. REPORTS ON FOOD FOR OTHER USES (ANIMAL FEED AND COMMODITY CROPS)

Background

Thailand is a net exporter of food. In regards to animal feed and other commodity crops, Thailand has extensive growing areas and processing facilities, and currently imports substantially less than it exports. Still, Canadian companies have a long-standing relationship with Thailand in regards to the sale of these products (cereals are one of the top ten exports from Canada to Thailand). With this in mind, less emphasis will be placed on this section as it can be viewed as a mature market. Still, an overview of some of the larger components of this sector will be examined in light of current market situations, and Thailand's own domestic circumstances.

Thailand is in the midst of experiencing one of the most severe water shortages this century. Understandably, this is having serious negative effects on agricultural production. This shortage of water also helps explain why Thailand's agricultural production (particulary the ingredients for animal feed) has levelled off. Overall agricultural expansion is only forecast to grow at 2.3%. To a lesser extent, the water shortage has also contributed to the rise in agricultural prices as obtaining water has become more costly. These factors, in combination with pressure from the international trading community, are driving the price of Thailand's agricultural products steadily upward. This price increase, when combined with the rise in demand and a very low growth rate in local production, is helping to create new opportunities for Canadians looking to export agricultural products to Thailand.

There are several other reasons why local Thai agricultural production is declining:

- the price of land is very attractive and has caused many farmers to sell their land to developers

- many farmers are leaving the land as income levels for farmers have not kept pace with the overall rise in income levels in the rest of Thailand

- de-forestation has been the cause of several large landslides which have taken substantial areas of land out of cultivation

- the Thai Government is emphatically promoting crop diversification and replacement in an attempt to replace traditional, water intensive crops (like rice) with crops with higher yields and lower water consumption (fruits and vegetables) as well as outright switching to totally different approaches (animal husbandry)

1. SOYBEAN

The importation of soybean into Thailand presents several complications to the Canadian soybean exporter. While Thais use soybean extensively (oil production and to a lesser extent, soybean meal), there are substantial barriers that can make exporting this product from Canada to Thailand less than attractive.

The key issue at this time, is that Thailand is restricting the importation of soybean to 150,000 tonnes (Thai Ministry of Commerce, 1994 figure). Of this 150,000 tonnes, the primary foreign suppliers are China, the United States, India and Brazil. For a Canadian company looking at exporting soybean to Thailand, the situation is further complicated by an enforced reciprocal purchasing agreement which dictates that anyone importing soybean into Thailand must buy a certain quantity of locally produced soybean meal, as well as pay the Thai government a surtax of 925 baht (approximately C$48.68) per tonne of imported soybean. This tax is adjusted frequently according to Chicago/world's commodity prices. Obviously this is a measure designed to protect the local Thai soybean producers. As a point of reference, Thai soybean farmers produced 672,000 tonnes of soybean in the 1989-90 growing season, with a farm value of C$259.4 million. The yield (kg/rai) is 214.

As the Uruguay Round of the latest GATT negotiations has only just concluded, the impact on such protectionist measures remains to be seen, particularly vis-à-vis the importance placed on the issue of farm trade during this recent round. The Thai Government is currently reviewing the situation, and may open the soybean market in line with GATT directives. However, at this time, there has been no formal announcement.

For Canadian exporters of soybean, the prospects do not look particularly attractive at this time. However, there is a small niche in the soybean market of which Canadians can take advantage. For the production of soymilk, soycurd and other products for human consumption, there is a natural preference for the product to be as white as possible. Much of the yellow colouring of soybean products comes from the dark colouring of the naval on the actual soybean. Canadian producers do grow a soybean with a smaller naval, which, when processed, produces products that are noticeably whiter in colour. While this market is very difficult to define, it is one that may be worth considering after reviewing the other difficulties in exporting large quantities to Thailand.

SOYBEAN IMPORTS TO THAILAND, 1992

TYPE	VOLUME IN TONNES	VALUE (C$)
Edible	143,317	47,362,736

2. ANIMAL FEED

In 1993, Thailand produced over 5.6 million tonnes of animal feed. While Thailand's production of animal feed has grown steadily (it is currently in a plateau stage), the key thing to observe is that the value of this feed has risen dramatically. Between 1988 and 1990 the value for approximately the same quantity of animal feed has risen by 37%.

In Thailand, the four most important ingredients for the production of animal feed are rice, corn (maize), oilseed, and fishmeal. However, as was previously noted, many Thai animal feed producers are looking for new ingredients for their animal feed. In all circumstances, the key to successfully exporting products of this nature from Canada to Thailand is to be very cost competitive. Due to the geographic distance between our two countries, price competitiveness is often a problem. Still, a market exists and is growing in value.

Due to rising production costs in Thailand, the international demand for Thailand's animal feed exports are decreasing. As Thai production costs rise to world levels, and as Thai farmers are being educated to use better and often times more expensive feeds, the market for imported animal feed is beginning to grow. While Thailand will continue to produce substantial quantities of animal feed (5.6 million tonnes in 1993), opportunities do appear to exist in this field for Canadian suppliers of animal feed and/or animal feed ingredients.

The rate of animal feed production is not growing significantly in Thailand, while the price is going up. Better, more expensive feeds are in increased demand. More and more, Thai producers of animal feed are looking abroad for animal feed ingredients (soybean meal, sunflower seed meal, rapeseed meal and fishmeal). The difficulties associated with soybean have been previously discussed, and while fish-meal also has import quotas associated with it, Canadian exporters can look at other less-regulated feed ingredients. The current import duty on feed ingredients is approximately 10% (with some exceptions). For wheat, it is 1.00 baht per kilo (about five cents a kilo in Canadian dollars).

Specific opportunities in other areas of animal feed include the importation into Thailand of chicken and swine feed. Chicken production is Thailand has increased dramatically in the past two years, primarily due to a marked increase in the export of chicken to countries like China and Japan. Thai animal feed producers project a substantial rise in demand for this feed. A similar situation exists with swine. As exports of pork rise, the demand for swine feed to fuel the increase in local production is also increasing. Also, the recent flooding of the Mississippi River area in the United States has contributed to Thailand's tight supply of corn and soybean meals (the United States exports these commodities to Thailand).

In Thailand, approximately 50% of animal feed ingredients are made from maize and maize related products. Maize is primarily sourced locally, but is also imported from China and South Africa.

3. WHEAT AND OTHER GRAINS

In the recent past, a leading Thai importer/exporter and producer of animal feed experimented with the importation of Canadian wheat (human consumption spec). The wheat was to be used as an ingredient for a high quality animal feed. Unfortunately, price became an issue, and Canadian wheat continues to have a reputation as being too expensive. When asked why they did not import wheat specified for animal feed, Thais replied that the quality was not good enough.

IMPORTED WHEAT AND OTHER MAJOR GRAINS - 1992

PRODUCT*	VOLUME (Tonnes)	AMOUNT (Baht)**
Wheat	41	156,019,371
Rye	25	399,674
Barley	8,057	46,451,110
Others	37	621,770
TOTAL	8,160	203,491,925

Source: Department of Business Economics

*Product imported from Australia, U.S.A., and Canada.
**C$1 = 19baht

IMPORTED FLOUR - 1992

PRODUCT*	VOLUME (Tonnes)	AMOUNT (Baht)**
Wheat Flour	35,199	209,455,622
Rye Flour	15	174,892
Maize Flour	10	362,808
TOTAL	35,224	209,993,322

Source: Department of Business Economics

*Product imported from Australia, U.S.A., and Canada
**C$1 = 19baht

4. CANOLA

Canola is not as widely used, but is growing in popularity. Recently, a trial order of 1000 tonnes of canola was shipped to Thailand (Grade – Double Zero). However, in discussions with several importers, many were looking at importing other hybrids of canola from India due to a substantially lower cost as compared to the Canadian product.

5. ALFALFA

Primarily used in cattle feed, alfalfa replacements, particularly impel meal, are being seriously considered. Importers will only consider looking at Canadian alfalfa if it is price competitive.

6. MAIZE

While the demand for maize is increasing, growth in local production is currently keeping pace with the growth in demand. While Thailand does import some maize, it is important to keep in mind, that they also exported approximately 300,000 tonnes in 1993 (total production was 3.6 million tonnes of maize).

IX. ANIMAL FEED IMPORTERS

1.	NAME	:	EVERGROW
	ADDRESS	:	3425 SOI WAT IN BANCHONG RIM, CHAOPRAYA RIVER, BANG KOH LAEM, BANGKOK 10120
	TEL	:	2894972
	FAX	:	2911559
2.	NAME	:	GROBEST CORP.
	ADDRESS	:	199/12 VIBHAVADEE RANGSIT ROAD, PHAYATHAI, BANGKOK 10400
	TEL	:	2780563
	FAX	:	2712016
3.	NAME	:	S. THAICHAROENPORN COMMERCIAL
	ADDRESS	:	363/1 SOI WAT PAI NGERN CHAN ROAD, YANNAWA, BANGKOK 10120
	TEL	:	2114776, 2112083
	FAX	:	2125992
4.	NAME	:	T C UNION AGROTECH
	ADDRESS	:	733/24 CHARANSANITWONG ROAD, BANGPLAD, BANGKOK 10700
	TEL	:	4370259
	FAX	:	4336321
5.	NAME	:	EVERTRADES
	ADDRESS	:	2304-6 NEW PETBURI ROAD, BANGKOK10400
	TEL	:	3194225/6
	FAX	:	3194373
6.	NAME	:	CP INTERTRADE
	ADDRESS	:	313 SILOM ROAD, BANGKOK 10500
	TEL	:	2310221/50
	FAX	:	2310286

X. LEGAL ISSUES INVOLVED WITH IMPORTING FOOD STUFFS FROM CANADA

1. RELEVANT LEGISLATION

The Ministry of Public Health has overall responsibility for the administration of legislation governing food and food stuffs in general. Without recourse to professional advice, it is difficult to determine the hand past legislation has in business today. However, it is the authors' understanding that the Food Act 1979 continues to govern the manufacture, storage and distribution of food for human consumption. References to the Skimmed Milk Act of 1927, the Liquor Act of 1950, and the Animal Feed Quality Control Act of 1982 have also been noted, but copies in English are not readily available. A copy of the Food Act 1979 in English is available from the Ministry of Public Health. Canadian exporters will wish to note in particular the powers conferred on the Minister of Public Health by Sections 14 and 15; the controls imposed by Chapter 4 (Sections 25 et seq) and the details to be provided (Section 35). The address for the Ministry of Public Health is located in Section XI of this report.

Restrictions and Prohibitions

Few products are specifically banned. Some other, mainly chemical, substances are prohibited from use in food. Lists of banned products and prohibited substances are attached at Annex I.

Many other foods are subject to control in one form or another. A general explanatory note including guidance on labelling and requirements on registration is at Annex II and III. Lists of general standards, controlled food, standardized food and food required to be labelled, all of which are the subject of Ministerial Notifications, are at Annex IV. The lists are updated to Autumn 1993. Also attached, Annex V, is a specimen Notification relating to labelling.

It should be noted that bans, prohibitions and controls apply equally to importation, local manufacture and distribution.

Approval

The controls referred to in the above section are exercised by the Food and Drug Administration, Ministry of Public Health, whose approval must be obtained prior to import. Approval is a lengthy process, likely to take six months or more, and includes product analysis by the Ministry's Department of Medical Sciences. Such analysis necessitates the disclosure of ingredients and production methods. It may also involve the need to translate technical information. Since analysis and testing will be based on the

Ministerial Notification under which the application for approval is submitted, it is essential to establish into which category or categories the product(s) concerned fall.

Many of the Notifications are commercially available in English and both languages at moderate cost.

2. RESTRICTED MARKETS

A. There are no quantitative restrictions on the import of food stuffs other than those exercised by market forces. However, some import restrictions do exist in the form of import "controls", which usually take the form of licensing. There are approximately 43 classes of goods which require import licenses from the Ministry of Commerce. In addition to this, an additional 75 classes of goods are subject to import controls under several other laws. Of relevance to this report is the fact that all canned food must be registered with the Food and Drug Administration of the Ministry of Public Health. Before any goods that are designated "controlled" can be imported into Thailand, an import license must be obtained from the appropriate government ministry.

B. Canadian exporters of agricultural produce such as rice, abundantly available in Thailand, would almost certainly find great difficulty in penetrating the Thai market.

3. TARIFFS

Legislation

Duties and taxes payable at import are governed by The Customs Tariff Decree B.E. 2530* (the Decree). The text of the Decree is reproduced in "The Customs Tariff of Thailand" (the Tariff) published by the Customs Department, Ministry of Finance and most recently updated to 31 May 1992. Secondary legislation includes powers, delegated to the Minister of Finance who, with the approval of the Cabinet, is:

> "... empowered by notification, to reduce the rate of duty ...exempt from payment of duty or... additionally charge special duty at a rate not exceeding fifty percent of the rate specified ... "

Import Duties and Taxes

In general, ad valorem duties levied on imported food stuffs remain high, usually 60%. Some products are also subject to specific rates of duty, in which case:

> "only the rate which renders higher amount of duty shall be applied. (Decree, Section 4)

Value Added Tax (VAT) is payable in addition. The present rate of VAT is 7 percent, levied on the duty paid value of the goods concerned.

1. Goods are classified according to the internationally recognized Harmonised Systems.

2. Import Duty is charged on the CIF value of a consignment at rates laid down in the Thai Customs Tariff which are either a percentage of the CIF value or a unit charge per kilogram or litre. Where both rates are shown in the Tariff, the rate which yields the higher duty is charged.

3. Value Added Tax (VAT) was introduced on 1 January 1992, replacing Business Tax. VAT is at present charged at 7 percent and is levied on the duty paid value of the goods concerned.

4. The combined duty and tax is calculated as per the following example:

CIF value	100.00 Baht
Import duty 30%	30.00 Baht
	130.00 Baht
VAT 7%	9.10 Baht
	139.10 Baht

Total duty and VAT: 30.00 + 9.10 = 39.10 Baht

The Minister's power to reduce rates of duty has been exercised widely in recent years.

Regarding Thailand's role as an international player, it is heartening to note that the United States Trade Representative (USTR) has removed Thailand from the "Priority Foreign Country" (PFC) watch list and has placed it onto another less vulnerable "Priority Watch List" (PWL), as a result of Thailand's progress in protecting intellectual property rights. While this action affects food exporters to a lesser degree, it is a sound indication of how Thailand is maturing vis-a-vis international trade. Although off the PFC, Thailand remains on the PWL until another review is held by the United States in 1994. This list is decidedly less vulnerable to sanctions (impositions of trade retaliation on Thai exporters) under Section 301 of the US Trade Act.

4&5. ENTRY BARRIERS, LABELLING AND STANDARDS

See under Relevant Legislation (Sec 1).

6. AGENTS, DISTRIBUTORS, ETC.

The situation is essentially open. Exporters are free to appoint agents and distributors of their choice to enter into franchise agreements or to establish their own Thai company. In the latter case, the company must be 51 percent Thai owned. An exception however is made in the case of subsidiaries of United States companies where there is no prescribed percentage of Thai ownership in most cases. This creates a distinct competitive advantage for american firms and should be taken into account when assessing the competitive advantage Exceptions are also made to those companies that qualify for specific Thai Board of Investment privileges.

ANNEX I

LIST OF PROHIBITED FOOD OR SUBSTANCES

1. Substances Prohibited From Use In Food

- Salicylic acid. Notification No.4 (1979)
- Boric Acid
- Borax
- Calcium iodate and Potassium iodate (except for the use of goitre prevention and remedy)
- Nitrofurazone
- Potassium chlorate -
- Formaldehyde Solution and Raraformaldehyde. Notification No. 93 (1985)- --
Coumarin, or 1,2-Benzopyrone or 5,6-Benzopyrone, or Cis-O-coumaric acid anhydride or O-Hydroxycinnamic acid, lactone. Notification No. 112 (1987)
- Dihydro coumarin or benzo-dihydropyrone or 3,4-Dihydrocumarin or Hydrocoumarin
- Methyl Alcohol or Methanol. Notification no. 123 (1989)

2. Food prohibited to be Manufactured, Imported or Distributed. Notification No. 112 (1988)

- Dulcin, or para-phenetolecarbamide
- Cyclamic acid and its salts, (except alsts of cyclamic acid which is sodium cyclamate)
- AF-2., or furylframide, or 2-(2-furyl) -3- (5-nitro -2- furyl) acrylamide
- Food containing dulcin, AF-2 or cyclamic acid and its salts (except those using salts of cyclamic acid which is sodium cyclamate)

3. Food Prohibited to be Produced, Imported or Distributed. Notification No. 126 (1989)

- Food which contains Daminozide or succinic acid 2, 2- dimethylhydrazide, (Alar)

FOOD ACT, 1979

According to the Food Act 1979, foods may be classified into three main categories:

1. Specific-controlled food: this is the category in which registration is required. Legal provisions are established regarding qualities, specifications, labelling requirement as well as other aspects of good manufacturing practices. Manufacturers and importers have to apply for respective licenses.

2. Standardized food: These are the certain types of food mainly produced locally by a small-scale industry or household industry. The main objective is to facilitate and encourage products and at the same time safeguard consumers. Standardized food does not need registration but its quality and labelling have to meet the standards or requirement as notified by the Minister of Public Health.

3. General Food: If food, either raw or cooked, preserved or non-preserved, processed or non-processed has not been listed under category (1) or (2), it will be taken into FDA's consideration as 'general food'. In accordance with the Ministerial Notification, general food can be categorized into:

   a) Food notified to be labelled
   b) Other general food

Regulatory Functions

According to the Food Act, those who intend to import food products into Thailand must apply for an import licence, and those who intend to manufacture food must apply for a manufacturing licence. These requirements are strictly applied to manufacturers and importers of specific-controlled food. Applications for licence and product registration will be reviewed and analyzed. The plant or storage inspection will be made by the authority. Food inspectors are authorised to inspect food factories, import firms or food caterers including vehicles carrying food. They are also authorised to seize or confiscate foods or food containers suspected of being impure, adulterated, unsanitary or hazardous to health. Once approved, a licence and/or registration number will be issued.

ANNEX II

FOOD REGISTRATION REQUIREMENTS

1. Sample (3-6 packs)

2. Formula presented in mg. org.

3. Formula presented in 100% w/w

4. Manufacture processing diagram

5. Product information
   - 5.1 product description
   - 5.2 label and/or insert (5 copies)
   - 5.3 packaging materials: glass/plastic (polyethylene, polypropylene)
   - 5.4 proposed shelf life
   - 5.5 net weight/bottle or sachet
   - 5.5 net weight/unit
   - 5.6 certificate of analysis, if available

6. Product Recommendation (Free Sale)

ANNEX III

GUIDANCE ON FOOD LABELLING

To comply with local labelling regulations, the following is a list of food which requires labelling:

1. Specific-controlled food
2. Standardized food
3. Imported food
4. Food notified to be labelled

The label should have all of the following information:

1. Kind and type of food
2. Trade name
3. Registration number, if any
4. Name and address of the manufacturers or producers
5. Net contents in metric unit
6. Main ingredients in approximate percentage of weight
7. Date marking
8. Keeping instructions
9. Preparation instructions
10. Use of preservatives, colouring agent, food flavouring agent, MSG
11. Instruction of food intended to be used in infant and specific groups

ANNEX IV

LIST OF GENERAL STANDARD

1. Labels	Notification No.68 (1982), No. 95 (1985)
2. Standards of Some Foods Containing Pesticide Residue	Notification No.71 (1982)
3. Food Containers	Notification No. 92 (1985), No. 111 (1988)
4. Standard of Contaminated Substance	Notification No. 98 (1986)
5. Food Contaminated with Radioactivity	Notification No. 102 (1986), No.116 (1988)
6. Process of Manufacture of Irradiated Food	Notification No. 103 (1986)
7. Feeding Bottle	Notification No. 117 (1989)

ANNEX V

LIST OF FOOD THAT SHALL BE LABELLED

1.	Flour of Husked Rice	Notification No.44 (1980)
2.	Cooking Salted Water	Notification No. 73 (1989)
3.	Sauces in Sealed Containers	Notification No.79 (1984)
4.	Bread	Notification No. 81 (1984)
5.	Food with Special Purpose	Notification No. 90 (1985)
6.	Chewing Gum and Candies	Notification No. 96 (1985), No. 131 (1990)
7.	Finished Gelatin and Jelly	Notification No. 100 (1985)
8.	Food with Anti-moisture Substance in the Container	Notification No. 104 (1987)
9.	Garlic Product	Notification No. 105 (1987)
10.	Meat Products	Notification No. 11 (1988)
11.	Ready-Cooked Food	Notification No. 11 (1988)
12.	Flavouring Substance	Notification No. 120 (1989)
13.	Ready to Cook Food	Notification No. 124 (1989)

Labels of item 1-9 and 12 require FDA approval prior to being used.

ANNEX VII

EXTRACTS FROM THE CUSTOMS TARIFF DECREE B.E. 2530 (1987)

SECTION 8. FOR GOODS SUBJECT TO SPECIFIC RATE OF DUTY:

(1) if being food stuffs packed in containers with liquid substance used for the purpose of preservation, the whole weight of both the goods and the liquid substance packed in the containers shall be used in the assessment of duty;

(2) if packed in boxes, bags or other containers intended to be sold as a whole, with marks or labels, stating specific quantity of the goods, the Director General of Customs may, for the purpose of assessing the amount of duty, deem that each of such containers contains the specific quantity of goods.

SECTION 9. For goods subject to ad valorem rate of duty, the Director General of Customs may, from time to time, notify the average market value for any category of goods. Such value shall be deemed the value for assessment of duty on the notified category of goods instead of the actual market value as from the date of notification until cancelled or modified by subsequent notification.

The notification, the cancellation or the modification of notification as referred in the first paragraph, shall be published in the Government Gazette. (NB. The Government Gazette and other Thai Government publications can often be obtained from the Royal Thai Embassy, trade associations, or in Thailand at most university libraries).

SECTION 14. In execution of the obligations under the international treaties or agreements benefiting to the national economy, the Minister of Finance with the approval of the Cabinet, is empowered by notification, to reduce the rate of duty from that specified in the Customs Tariff Schedule or exempt from payment of duty, for the goods originated in the countries signed or specified in the aforesaid treaties or agreements and may also set rules and conditions therewith.

The notification, the cancellation or the modification of the notification as referred in the first paragraph shall be published in the Government Gazette.

SECTION 15. The Director General of Customs shall be authorised to interpret provisions in the Tariff Schedule hereto annexed by marking tariff notification.

The interpretation referred in the first paragraph shall not be retroactive.

The interpretation shall be governed by the General Rules for the Interpretation in Part 1 hereto annexed, together with the Explanatory Notes to the Harmonized System of the Customs Co-operation Council which was established by the Convention establishing a Customs Co-operation Council signed in Brussels on the 15th of December B.E. 2493, and Thailand has been the member of this Convention since the 4th of February B.E. 2515.

XI. FOOD ASSOCIATIONS AND OTHER USEFUL GROUPS

THAILAND

ASSOCIATIONS

1.	NAME	:	ASSOCIATION OF READY FOODS ASSOCIATION
	ADDRESS	:	BANGKOK
	TEL.	:	2536791/4
2.	NAME	:	BANGKOK RICE MILLERS' ASSOCIATION
	ADDRESS	:	SOI RONG NAM KHANG, BANGKOK
	TEL.	:	2347289, 2347286
3.	NAME	:	COLD STORAGE INDUSTRY ASSOCIATION
	ADDRESS	:	167 SOI CHAROENKRUNG, 64 YANNAWA, BANGKOK 10120
	TEL.	:	2111231/2
	FAX.	:	2110381
4.	NAME	:	THAI FOOD PROCESSORS' ASSOCIATION
	ADDRESS	:	888/114 MAHATUN PLAZA 11TH FL. PLOENCHIT PATUMWAN, BANGKOK 10330
	TEL.	:	2536791/4
	FAX.	:	2551479
	PRODUCTS	:	TO PUBLICIZE RELEVANT NEWS TO THE MEMBERS
	CONTACT	:	MR. WANCHAI P.
5.	NAME	:	THAI MAIZE AND PRODUCE TRADERS' ASSOCIATION
	ADDRESS	:	92/26 SATHORN TAI
	TEL.	:	2344387
6.	NAME	:	THE FEDERATION OF THAI INDUSTRY
	ADDRESS	:	394/14 SAMSEN ROAD, DUSIT, BANGKOK 10300
	TEL.	:	2800951
	FAX.	:	2800959
	PRODUCTS	:	INFORMATION ON INDUSTRIES HANDLED BY THAI COMPANIES
	CONTACT	:	MISS KREAWAN KHAMENKIT
7.	NAME	:	WHEAT CONSUMERS AND TRADERS ASSOCIATION
	ADDRESS	:	BANGKOK
	TEL.	:	314-6021-9

8.	NAME	:	MINISTRY OF AGRICULTURE AND COOPERATIVE DEPARTMENT OF FISHERIES
	ADDRESS	:	RAJDAMNOEN NOK AVENUE BANGKOK 10200
	TEL.	:	2815577, 2825542/17
	FAX.	:	2801502
9.	NAME	:	MINISTRY OF AGRICULTURE AND COOPERATIVE OFFICE OF AGRICULTURAL ECONOMICS
	ADDRESS	:	RAJDAMNOEN NOK AVENUE BANGKOK 10200
	TEL.	:	2813332
	FAX.	:	2829217
10.	NAME	:	MINISTRY OF COMMERCE
	ADDRESS	:	SANAMCHAI ROAD BANGKOK, 10200
	TEL.	:	2258411/27
	FAX.	:	2263318
11.	NAME	:	MINISTRY OF COMMERCE COMMERCIAL REGISTRATION DEPARTMENT
	ADDRESS	:	AS ABOVE
	TEL.	:	2229851/89, 2214754, 2222870
	FAX.	:	2250775
12.	NAME	:	MINISTRY OF FINANCE CUSTOMS DEPARTMENT
	ADDRESS	:	SUNTHORNKOSA ROAD, KLONGTOEY BANGKOK, 10110
	TEL.	:	2490431/40
	FAX.	:	2492874
13.	NAME	:	MINISTRY OF FINANCE EXCISE DEPARTMENT
	ADDRESS	:	1488 NAKHON CHAISRI ROAD BANGKOK, 10300
	TEL.	:	2415600/19
	FAX.	:	2411030
14.	NAME	:	MINISTRY OF PUBLIC HEALTH, FOOD AND DRUG ADMINISTRATION
	ADDRESS	:	SAMSEN ROAD, BANGKOK 10200
	TEL.	:	2824180
	PRODUCTS	:	TO APPROVE NEW FOOD AND DRUG PRODUCTS

15.	NAME	:	OFFICE OF THE BOARD OF INVESTMENT
	ADDRESS	:	555 VIPAVADEE-RANGSIT ROAD, CHATUCHAK BANGKOK
	TEL.	:	5378150/55
	FAX.	:	5378177

CANADIAN ESTABLISHMENTS IN BANGKOK

16.	NAME	:	CANADIAN EMBASSY
	ADDRESS	:	11TH FL. BOONMITR BUILDING, 138 SILOM ROAD BANGKOK 10500
	TEL.	:	2374126
	FAX.	:	2366463, 2367119
	CONTACT	:	MR. DAVID SUMMERS, COMMERCIAL SECTION
17.	NAME	:	ENTERPRISE THAILAND CANADA
	ADDRESS	:	19TH FLOOR CP TOWER 313 SILOM ROAD, BANGKOK 10500
	TEL.	:	2310894
	FAX.	:	2310900
	PRODUCT	:	ESTABLISH THAI-CANADIAN JOINT-VENTURES, TECHNOLOGY TRANSFERS, ETC.
18.	NAME	:	THAILAND BUSINESS ASSOCIATION OF CANADA 185 SILOM ROAD, 2ND FLOOR TORONTO, ONTARIO M5T 2E3
	TEL.	:	2343311, 2343335
	FAX.	:	2344866, 2348434
	PRODUCTS	:	BUSINESS INFORMATION ON INVESTMENT AND TRADE ; BILATERAL ASSOCIATION WHICH ASSISTS MEMBERS IN ESTABLISHING LINKAGES

CANADA

19.	NAME	:	ASIA PACIFIC FOUNDATION OF CANADA
	ADDRESS	:	666-999 CANADA PLACE VANCOUVER, BC V6C 3E1
	TEL.	:	604-684-5986
	FAX.	:	604-681-1370
	CONTACT	:	MS. KATHY ZASTAWNY OR MS. SUE HOOPER. THE APF HAS EXTENSIVE DATA-BASES ON RELATIONSHIPS BETWEEN CANADA AND COUNTRIES IN ASIA.

20.	NAME	:	BOARD OF INVESTMENT OFFICE OF THE ECONOMIC COUNSELLOR ROYAL THAI EMBASSY
	ADDRESS	:	5 WORLD TRADE CENTRE SUITE 3443 NEW YORK, NY 10048
	TEL.	:	212-466-1745
	FAX.	:	212-466-9548
	CONTACT	:	MS. PORNTIPA PUMIWAT, ASSISTANT ECONOMIC COUNSELLOR (INVESTMENT). THE BOI DOES NOT HAVE A CANADIAN OFFICE BUT COORDINATES ALL CANADIAN ACTIVITIES OUT OF NEW YORK. US OFFICE OF THE PRINCIPLE GOVERNMENT AGENCY RESPONSIBLE FOR PROVIDING INCENTIVES TO STIMULATE INVESTMENT IN THAILAND.
21.	NAME	:	ENTERPRISE THAILAND CANADA
	ADDRESS	:	COMMERCE COURT NORTH - 15 TORONTO, ONTARIO M5L 1A2
	TEL.	:	416-861-3487
	FAX.	:	416-861-3787
	CONTACT	:	MR. BRIAN SMITH
	PRODUCTS	:	CIDA FUNDED PROJECT TO ESTABLISH THAI-CANADIAN JOINT-VENTURES, TECHNOLOGY TRANSFERS, FRANCHISES, ETC.
22.	NAME	:	ENTERPRISE THAILAND CANADA
	ADDRESS	:	COMMERCE PLACE 5TH FLOOR 400 BURRARD STREET VANCOUVER, B.C.
	TEL.	:	604-665-1518
	FAX.	:	
	CONTACT	:	MR. MICHAEL BIRD
	PRODUCTS	:	SAME AS ABOVE
23.	NAME	:	ROYAL THAI CONSULATE GENERAL
	ADDRESS	:	SCOTIA PLAZA, 40 KING STREET W., 44TH TORONTO, ONTARIO M5H 3Y4
	TEL.	:	416-367-6750
	FAX.	:	416-367-6764
	CONTACT	:	MR. BILL DICKINSON HONOURARY CONSUL OF THAILAND
	PRODUCTS	:	ISSUE OF VISAS, GENERAL INFORMATION

24.	NAME	:	ROYAL THAI EMBASSY OFFICE OF COMMERCIAL AFFAIRS
	ADDRESS	:	275 SLATER STREET, SUITE 1801 OTTAWA, ONTARIO K1P 5H9
	TEL.	:	613-238-4002
	FAX.	:	613-238-6226
	CONTACT	:	MR. RICHARD GROSS, TRADE OFFICER
25.	NAME	:	THAI TRADE CENTRE, DEPARTMENT OF EXPORT PROMOTION, ROYAL THAI GOVERNMENT
	ADDRESS	:	888 DUNSMUIR STREET, SUITE 1180 VANCOUVER, BC V6C 3K4
	TEL.	:	604-687-6400
	FAX.	:	604-683-6775
	CONTACT	:	MR. SOMKIAT SARANAPANICHKUL, DIRECTOR
	PRODUCTS	:	THAI GOVERNMENT AGENCY WHICH SOURCES PRODUCTS FROM THAILAND FOR CANADIAN IMPORTERS
26.	NAME	:	THAILAND BUSINESS ASSOCIATION OF CANADA
	ADDRESS	:	280 SPADINA AVENUE, 4TH FL. TORONTO, ONTARIO M5T 2E3
	TEL.	:	416-597-8212
	FAX.	:	416-597-8571
	CONTACT	:	MR. MARK DEACON, GENERAL MANAGER
	PRODUCTS	:	BUSINESS INFORMATION ON INVESTMENT AND TRADE ; BILATERAL ASSOCIATION WHICH ASSISTS MEMBERS IN ESTABLISHING LINKAGES
27.	NAME	:	TOURISM AUTHORITY OF THAILAND
	ADDRESS	:	250 ST. CLAIR AVE. W. SUITE 306 TORONTO, ONTARIO M4V 1R6
	TEL.	:	416-925-9329
	FAX.	:	416-925-2868
	CONTACT	:	MS. DOREEN VANINI
	PRODUCTS	:	TOURIST LITERATURE
28.	NAME	:	TOURISM AUTHORITY OF THAILAND
	ADDRESS	:	157-10551 SHELLBRIDGE WAY RICHMOND AVENUE, BC V6X 2W9
	TEL.	:	604-231-9060
	FAX.	:	604-231-9031
	CONTACT	:	MR. RICK BUECKING
	PRODUCTS	:	TOURIST LITERATURE

SINGAPORE

29.	NAME	:	CANADIAN HIGH COMMISSION
	ADDRESS	:	80 ANSON ROAD #14-00 IBM TOWERS SINGAPORE 0207
	TEL	:	65-225-6363
	FAX	:	65-225-2450, 226-1541
	CONTACT	:	EILEEN DURAND AGRI-FOOD PROMOTIONS

XII. CONCLUSION

Thailand presents many opportunities for Canadian producers of food and groceries. While many of these opportunities lie in non-traditional areas (ie up-country food distribution), with some creativity, and a healthy amount of perseverance, Canadian food exporters can do well in Thailand.

For further information on the opportunities discussed in this report, or for assistance with your plans to export to Thailand, please contact the Asia Pacific South Section of the Department of Foreign Affairs and International Trade, the Canadian Embassy (Commercial Section) in Bangkok, or the ASEAN Agri-Food coordinator at the Canadian High Commission in Singapore.

ACCOPRESS

2507

BF - RED	BY - YELLOW
BG - BLACK	BA - TANGERINE
BD - GREY	BB - ROYAL BLUE
BU - BLUE	BX - EXECUTIVE RED
BP - GREEN	

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