HOW TO SUCCESSFULLY EXPORT TO FRANCE

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Green Seed France

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Le plus grand arbre est né d'une graine menue.
LaoTseu

27th September 2012

FEVIA Vlaanderen
Federatie Voedingsindustrie

Green Seed Group

Having 25 years of experience, the Green Seed Group is a unique, international network of 10 offices in Europe and North America, specializing in the food & beverage sector

OUR MISSION

Advise both French and foreign food and beverage companies or marketing boards, on how to develop a sustainable and profitable position abroad

Green Seed France help you to develop your activity in France using our in-depth knowledge of the local food and beverage market and our established contacts within the trade

Dreams are the seeds of change.
Nothing ever grows without a seed,
and nothing ever changes without a dream.
Debby Boone

The Green Seed model

Over the last decade, one of the most important trends in the French food & drink trade has been for retailers to deal with their suppliers on a direct line. **Green Seed France** has developed its business model around this trend.

We act as **business facilitators** ensuring that every step of the process is managed with maximum efficiency. From first market visit, to launch as well as the ongoing relationship that follows.
We offer a highly cost-effective solution of “flexible local sales and marketing management support” aimed at adding value.

Strategic management & contacts, financial administration and business ownership remain entirely with the manufacturer.

French retailers and food service operators have appreciated our involvement and added value in the context of our common projects for the last 20 years.

From a small seed
a mighty trunk may grow.
Aeschylus

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The Green Seed approach

We have growth strategies for each phase of the product or brand life-cycle

Seed	Incubate		Grow	Harvest	
Market Study	Strategic Marketing	Commercial	Operational Marketing	Communication	WEB, PR

France is…

Food is an important part of French life style	Strong culinary tradition	Large Food industry

The Economy

- 66 million inhabitants, almost 60% are between 20-64 years old*
- The world's fifth largest economic power in terms of Gross Domestic Product, behind US, Japan, China, and Germany . France's GDP: + 0,3%*
- Inflation : +2.3%*
- Unemployment rate in France: 9.9%
- The VAT rate standard is 5.5 %. 7% on some products to take away

France has been badly hit by the economic downturn and French consumers are conscious of their reduced purchasing power

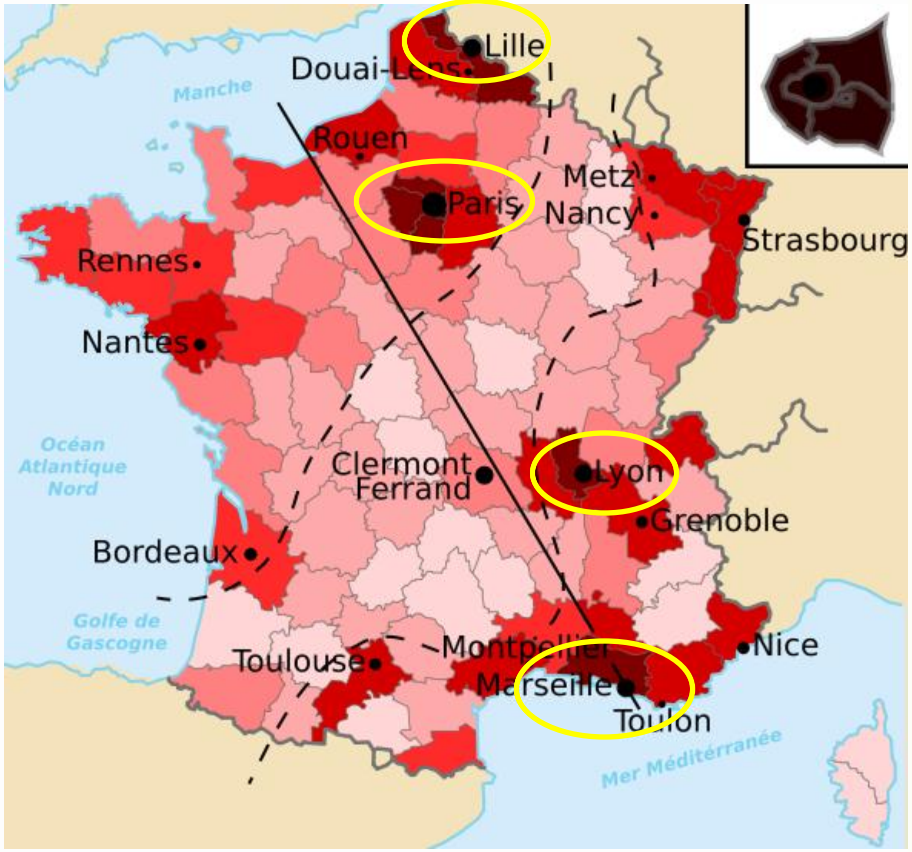
* INSEE January 2012

French population

A population which is quite concentrated: Paris and suburbs represent 19% of the French population (around 12M pers)

Economically, Île-de-France is the world's 4th and Europe's wealthiest and largest regional economy

Other main cities : Lyon, Marseille, Lille...



Map of the main French cities > 400 000 inhabitants

- cities > 5 000 inhabitants /km²

Significant difference between Paris & large cities (innovation) and rest of France (more traditional)

Key Consumer Trends

- **Reduced purchasing power**
  - Increase in the prices of food and drink (raw materials)
  - Changes in shopping habits : renewed interest in shopping at proximity stores and local markets
  - Development of value line ranges + improvement of the PL by traditional retailers curbing the development of the hard discounters

- **Origins & label certifications**
  - Consumers are awaiting for precise and transparent information about the product
  - The “clean label”:
    - Consumer distrust regarding additives: label enhance the absence of conservatives, aroma, thickening, etc.
    - Lots of Labels & origins of products (“terroirs” regional specialities)

    ➔ Development of the European label AOP “Appellation d’Origine Protégée”

- **Development of organic products**
  - Organic market (3.4Billions €) is still growing : +10% in 2011, 2,5% of the total food market. 47% of the market is sold in Mainstream Retail, 25% through specialized distribution network (Biocoop, La Vie Claire, Naturalia…)

Key Consumer Trends

- **Stevia:** allowed since 2009, this 100% natural sweetening is now used in yogurts and various products
- **Superfruits:** acérola, açai, goji, grenade …can now be found in yogurts or drinks.
- **Exotic tastes:** French are very keen on discovering new tastes and mix. The variety of Japanese or oriental food is getting more important in the shelves.
- **"Mini sizes":** brands are increasingly offering mini-sizes products. In the frozen department, with mini-quiches or mini-crêpes but also in the seafood department with mini-cakes or mini-soufflés.
- **Reduced sodium:** more and more products, especially cheeses and cooked meats/ ham put forward their reduced salt rate (often - 25%).

Key Consumer Trends

- **Healthy eating & nutritional products:**
  - Consumers are conscious of the rise of obesity → development of products offering well being, balanced diets, healthy positioning
  - Nationwide advertising campaigns to encourage the daily consumption of fruit and vegetables "5 fruits & vegetables per day"
  - Favourable to low-fat, low-sugar, anti-cholesterol, probiotic, gluten free ranges,etc.
  - 85% of French consumers believe "health is in the plate"

Health is in the plate

- **Natural**: Naturality is a growing trend. Consumers are going back to "manger-vrai" Consumers are demanding products which promote simple manufacturing processes along with a simple marketing speech

Fleury Michon launched in 2011 its recipes called « 5 essentials »

- **Convenience:** covering all categories of products, Convenience is a in-depth trend which can revolutionize a market (E.g : lunch boxes for the Ready meals category)

I. GREEN SEED GROUP : WHO WE ARE

II. MARKET BACKGROUND AND CONSUMER TRENDS

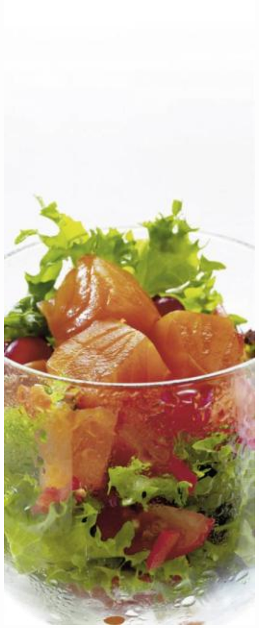
III. THE FRENCH RETAIL SECTOR

IV. KEY RETAILERS PROFILES

V. FOODSERVICE

VI. CASE STUDIES

VII. KEY LEARNINGS



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Overview of the French Retail Sector

- **High concentration** : ongoing concentration process resulting in the emergence of increasingly large-scale retail outlets.. → unbalanced power: 7 major “centrales” (Retail Groups) and 10 000 suppliers
- **Internationalisation** : the only way to grow (eg: Carrefour and Auchan generate approx 50% of their turnovers outside France)…
- Retailer Groups either have a **decentralised** organisation or very **centralized**: large differences between retailers → complex logistics
- **Mono-brand / multi format**: after years of developing different retail concepts, Retail Groups are now focusing on their “brand name” (re-branding) and launching new convenience concepts
- After a strong development of **hard discounters**, their market share has stabilized (13.8%)*
- **Specific law** : Modernisation of the Economy Law (LME – August 2008). French Government is trying to regulate the business between Retailers and Suppliers

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* Nielsen 2011

LME: Branded products focus

Loi de Modernisation de l'Economie (LME) Economy Modernization Law

- An exception in the European Union
- The aim of this law is to restore a fair balance between suppliers and retailers = 7 retailing groups and 10 000 suppliers of which 97% of Manufacturers < 250 people
- Mainly for branded products.
- Suppliers still have to pay for different services but margins are calculated differently, and negotiations are more regulated.
- Rules are changing every year !

LME: Branded products focus

<u>SUPPLIER SIDE</u>

Conditions Générales de Vente (General Sales Conditions) :

- The “CGV” are not mandatory but highly recommended: logistic conditions, payment terms, discounts…

Public Tariff

- The Public Tariff must be the same for any retailer belonging to the same category (Cash & Carry, Online Business, Retail, Food Service…). The price list can be the same for the entire French market.

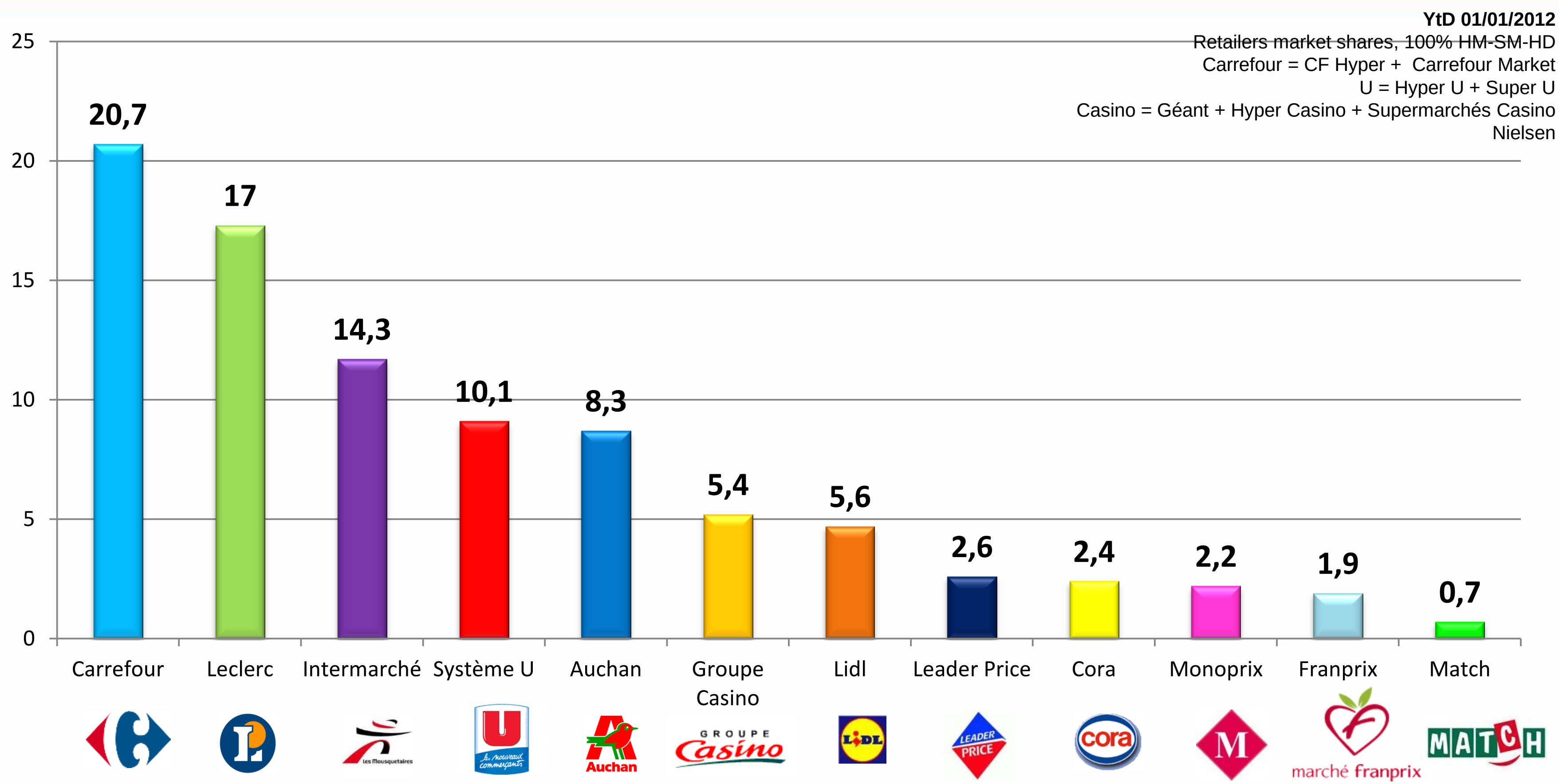
<u>AGREEMENT BETWEEN SUPPLIER & RETAILERS</u>: Annual Business Plan agreement :

- Both parties have to sign a yearly “**Plan d’Affaires Annuel**” (Annual Business Plan Agreement), which sets out all the responsibilities between the Supplier and the Retailer / Distributor
- Must be signed **before the 1st March**

Private Labels Focus

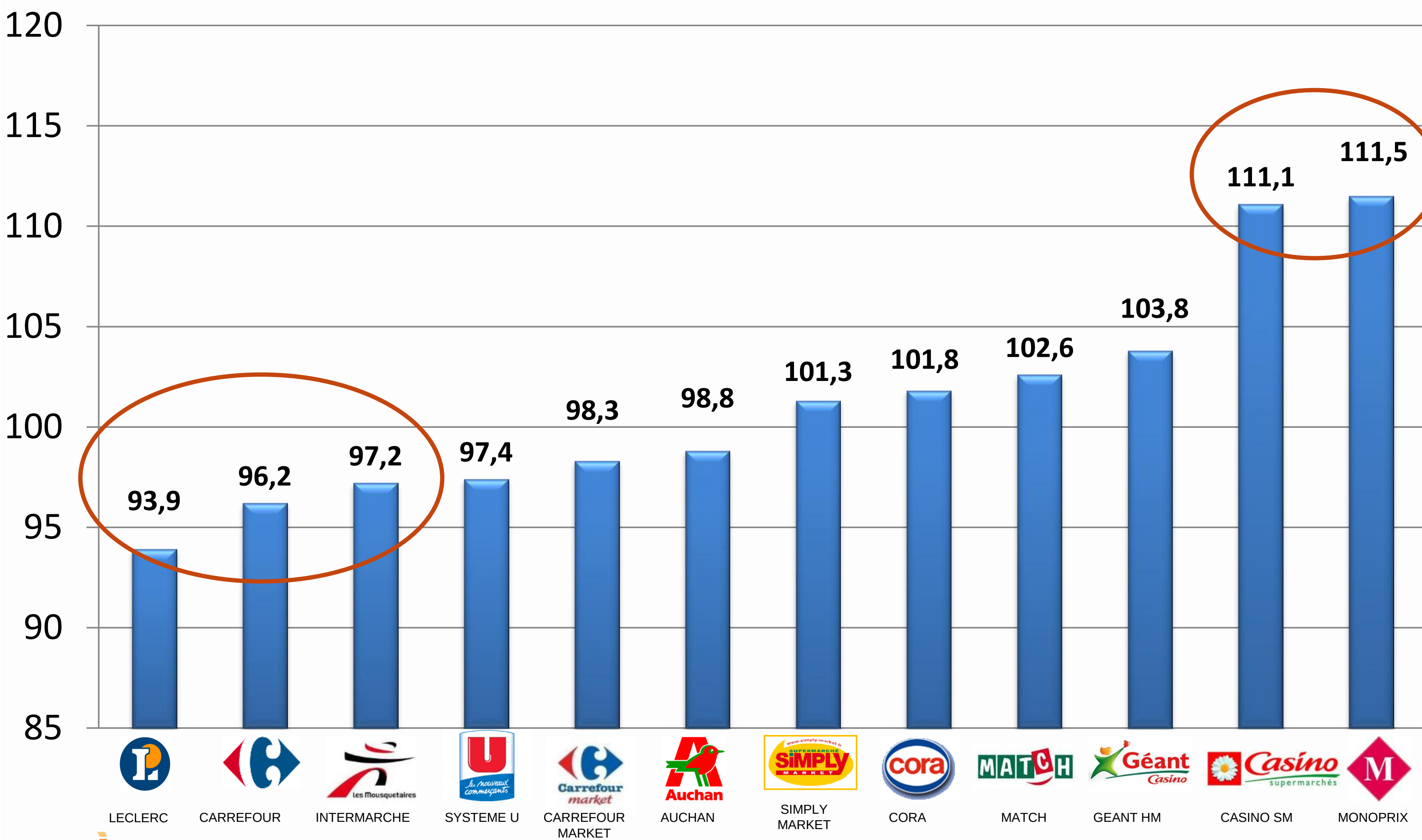
- Private Label : **34%** of MS
- Themed Own Label : ethnic, organic, French local Suppliers, Healthy, Premium...
- Tenders:
  - – Open Book Costing details (cost of Raw Material, Labour, Logistics...)
  - – Long procedure but 100% distribution (e.g. presence in all the stores)
- Price list is considered « 3 x net » incl. ECO emballage costs, samples, Consumers panels…
- EDI is highly recommended
- No sales force will be required
- No internal audit if Suppliers has IFS certificate

Retail Groups : Market Share



Carrefour group has a dominant position in turnover and MS, but the group has been loosing ground to Leclerc in 2010 and 2011.

Retailers : Price Index on branded products



Source : Lineairesprix - 2nd sem 2011 – based on 102 food products

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CARREFOUR GROUP

green seed

Carrefour

CARREFOUR Group

CARREFOUR
DMMG
EU buying office
Mass market products

Hypermarkets
- Carrefour
- Carrefour planet

Supermarkets
- Carrefour market

Hard discount
- Ed

Convenience
- Carrefour contact
- Carrefour city
- PROXI – si proche et tellement complice
- 8 à Huit – Au Cœur de la Vie.
- SHOPI

Cash & carry Catering
- Promocash
- Prodirest – Le fournisseur n° 1 de la restauration

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CARREFOUR GROUP

No. 1 retail group in France, No. 2 retail group in the world after Wal-Mart

- Worldwide T/O 2011: € 91.5 billion

Hypermarkets	**232 Carrefour – 29 « Carrefour Planet »**
Supermarkets	**969 Carrefour Market**
Hard Discount	**900+ ED / Dia**
Convenience / Proximity	**255 Carrefour City – 227 Carrefour Contact – 3 Carrefour Express, 7 Carrefour Montagne 2000+ Proxi, 8 à Huit, Shopi**

Average HM size : 6 200m²

Buying policy

- Very centralized : 1 buyer for HM / SM and Convenience
- Want to be seen as the most innovative and a « leading position »
- Limited number of suppliers
- Carrefour Discount PL : 5th brand sold in France

Carrefour Discount

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Focus: Carrefour Planet

Carrefour Planet: “reinvents the hypermarket concept”

- Concept launched in 2010 with 2 stores near Lyon
- 29 Carrefour Hyper Carrefour Planet in 2010-2011
- Hypermarkets that are not turned into Carrefour Planet will have a stronger focus on price and discount

Concept:
Create a “festive” environment: the consumer needs to be surprised
Positioning: Premium, innovative, multi-specialist with low price

Carrefour Planet concept is based on 9 “multi-specialist zones where Carrefour aims at offering the best

Due to internal changes and a new strategy the Carrefour Planet development has been stopped in 2012

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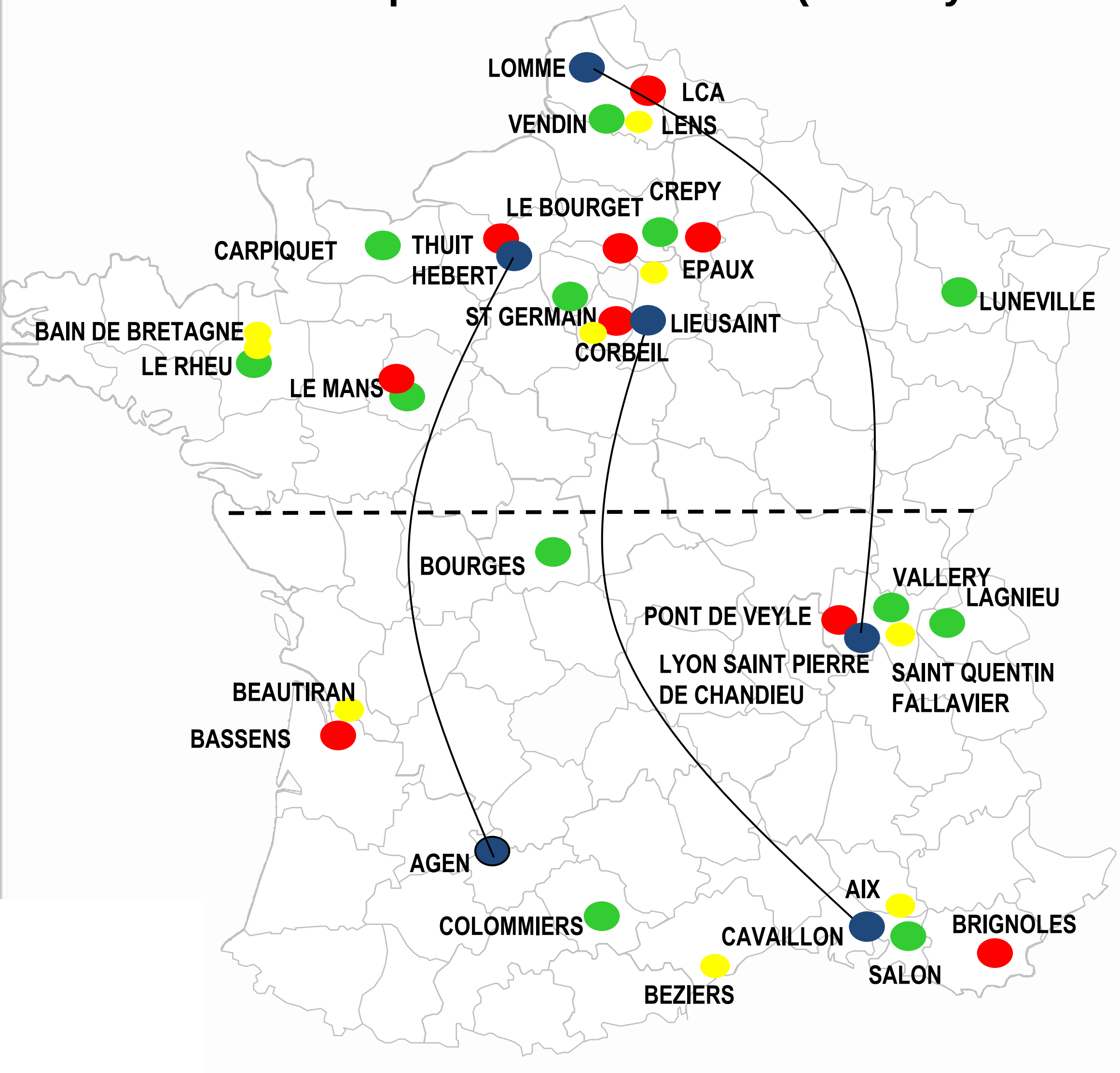
CARREFOUR GROUP

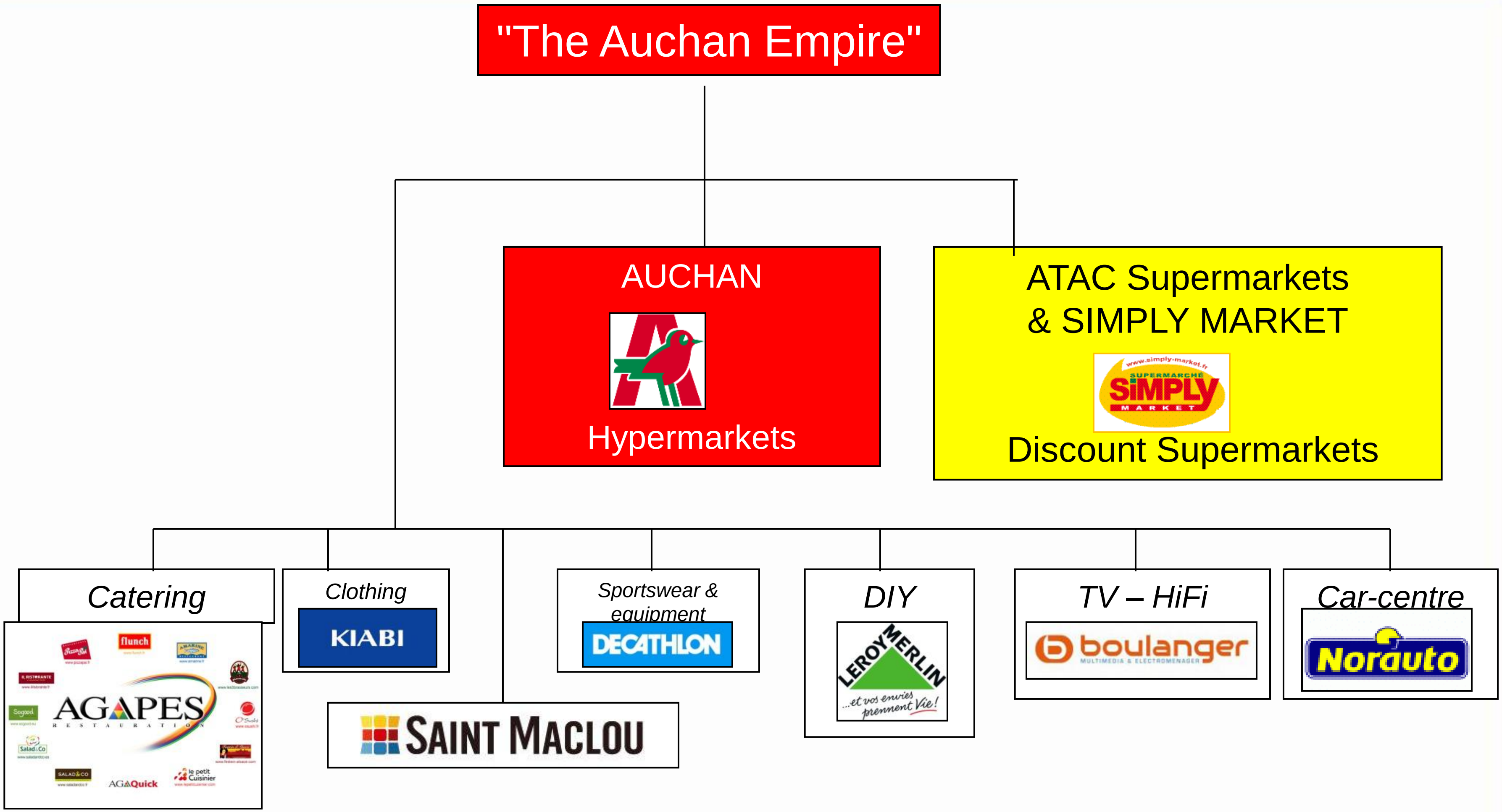
Consolidation Depots & Warehouses (Grocery & Chilled)



- 12 Warehouses (AB): Super, Proxi, Cash
- 9 Warehouses (AB): Hypers
- 6 Consolidation Depots (Grouping & Dispatching for small volumes)
- 8 Warehouses for Chilled Product (0-4°c)

Each Consolidation Depot (blue) is paired to another one : 1 Warehouse in Northern France, 1 in Southern France.

AUCHAN


"The Auchan Empire"
AUCHAN
Hypermarkets
ATAC Supermarkets
& SIMPLY MARKET
SIMPLY MARKET
Discount Supermarkets
Catering
AGAPES
Clothing
KIABI
SAINT MACLOU
Sportswear & equipment
DECATHLON
DIY
LEROY MERLIN
...et vos envies prennent Vie!
TV – HiFi
boulanger
Car-centre
Norauto

AUCHAN

No 2 retailer in France in TO

- Worldwide T/O 2011: € 44,9* billion (50% of TO generated outside France – 13 countries)

Hypermarkets	**138**
Supermarkets	**306 Simply Market, 84 Atac**
Hard Discount	**7 Les Halles d'Auchan**

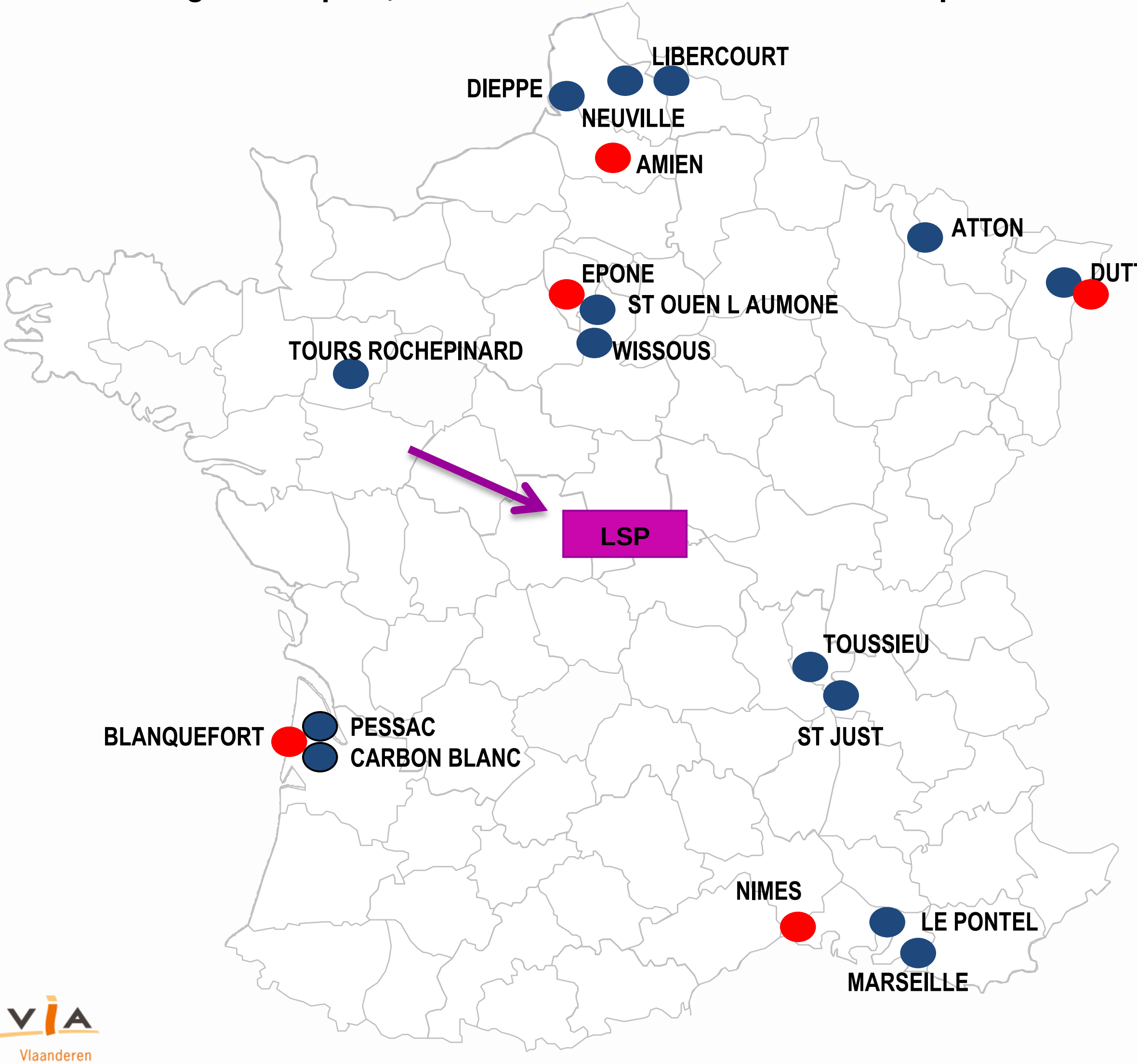
- A family owned company that caters for… families
- Auchan has always been known for its very large hypermarkets (+10 000m²).
- Large product assortments (12,000 Auchan PL products) → Large number of suppliers, open to innovative SMEs.

Buying policy

- Centralized buying policy but stores are also involved in the negotiation process
- Annual "Commission" are organized with the Regional Depots

AUCHAN

There are 38 regional depots, 14 of which are for chilled and fresh products. 5 depots are dedicated to PL



14 Warehouses for Chilled & fresh Products

5 Warehouses for Private Label

1 Consolidation Depot in the center of France for small volumes

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LECLERC

No 3 retail group in France in TO

- Worldwide T/O 2011: € 40.7* billion

Hypermarkets	**486**
Supermarkets	**69**
Proximity / Soft Discount	**Leclerc Express: 48** **Leclerc Drive: 65**

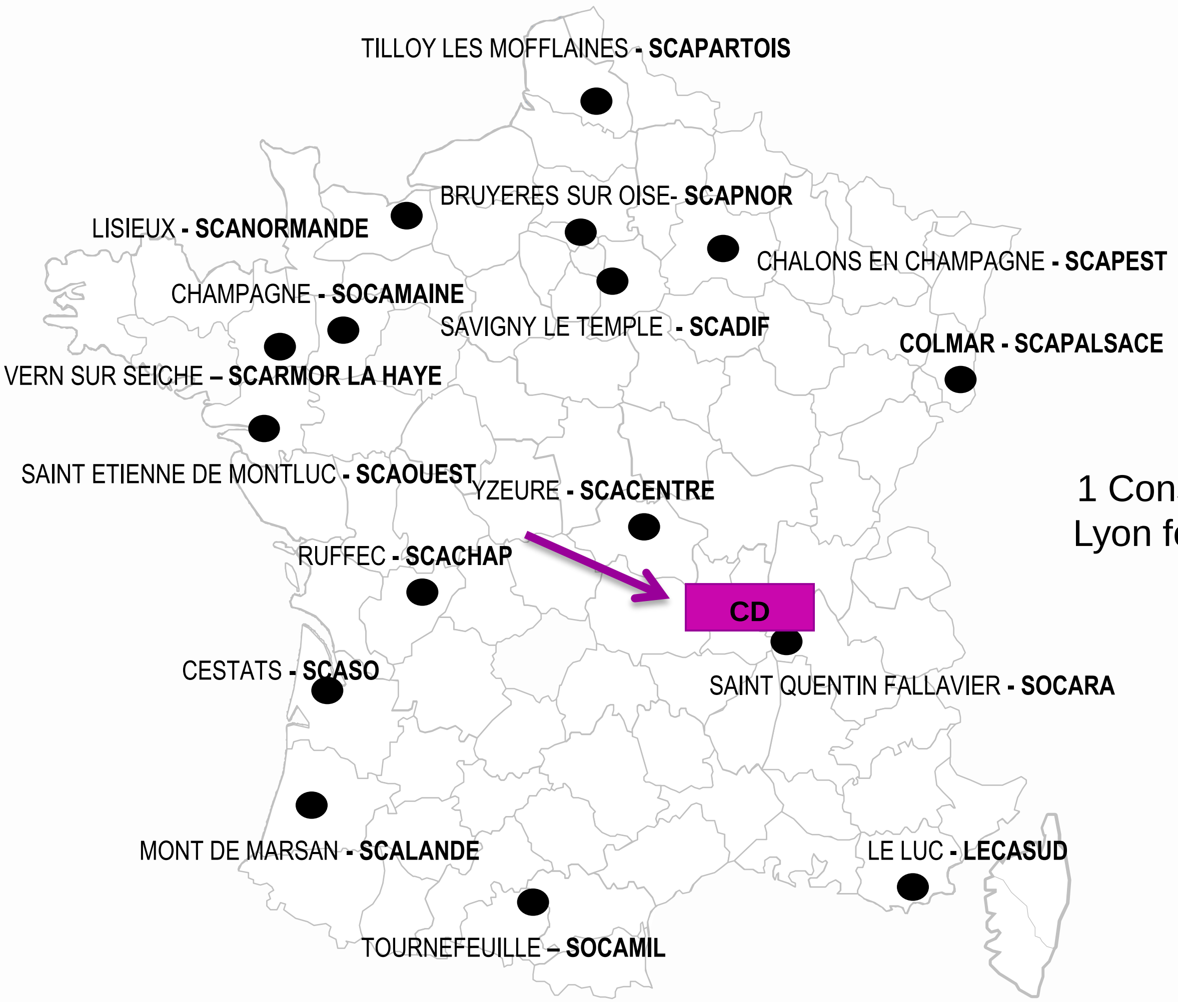
- Focus on medium-size hypermarkets (average 5010m²)
- Specific website to compare his prices nationally: http://www.quiestlemoinscher.com/.

Buying policy

- Leclerc Group is managed by a private cooperative grouping over 500 members.
- Leclerc is amongst the most Price Competitive mainstreams Retailers
- Decentralized philosophy with 3 purchasing levels:
  - ✓ 1 central buying office in Paris
  - ✓ 16 regional offices
  - ✓ Stores level
    - → Being listed at the central purchasing office does not necessarily mean that all stores will buy the products listed

LECLERC

Leclerc Logistics - 16 warehouses



1 Consolidation Depot near Lyon for PL (small volumes)

INTERMARCHE

No. 4 retail group in France in TO

- Worldwide T/O 2011: € 37 billion (87% generated in France)

Intermarché Hyper	79
Intermarché Super	1 446
Discount : Netto	365
Intermarché Contact & Ecomarché Intermarché Express	331 27

- ITM is a private cooperative grouping 3 000 Independent members (stores are the property of each store director = large differences between stores)
- Medium size supermarkets (1 900 m² average size).
- 100% national coverage but more in rural areas

Buying policy

- Central purchasing office
- Soft-discount philosophy
- The only retailer involved in food production (60 production units → 40% PL)

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INTERMARCHE

Logistics

- In 2010, ITM completely streamlined its logistic system with the creation of an integrated logistic system with 2 different logistic entities: ITM LAI and ITM LEMI.
- ITM LAI is dedicated to Food and includes 2300 trucks and 8 regional logistic centers. ITM LAI delivers 35 regional depots including 18 depots for fresh products.
- By 2013, ITM will develop 4 “super base” regional centers (3 of which for Food).

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EMC - CASINO GROUP

GROUPE Casino EMC DISTRIBUTION

- 100% GROUPE Casino
  - GEANT Casino — Géant Casino
  - CASINO Supermarkets — Casino supermarchés
  - **Proximity stores** — Petit Casino, SPAR, Vival, ECOservice
- 75% LEADER PRICE — **Soft Discount**
- 95% **Convenience** — le Marché FRANPRIX
- 100% MONOPRIX **Supermarket** — MONOPRIX, dailymonop', MONOP'

EMC – CASINO GROUP

N°5 Retail Group in France in TO
- Worldwide T/O 2011: € 34.4 billion

Hypermarkets	**118 Geant Casino**
Supermarkets	**393 Casino** **892 Franprix**
Hard Discount	**595 Leader Price**
Convenience / proximity	**1 745 Petit Casino** **955 Spar,** **1699 Vival, Ecoservice…**

GROUPE Casino
NOURRIR UN MONDE DE DIVERSITÉ

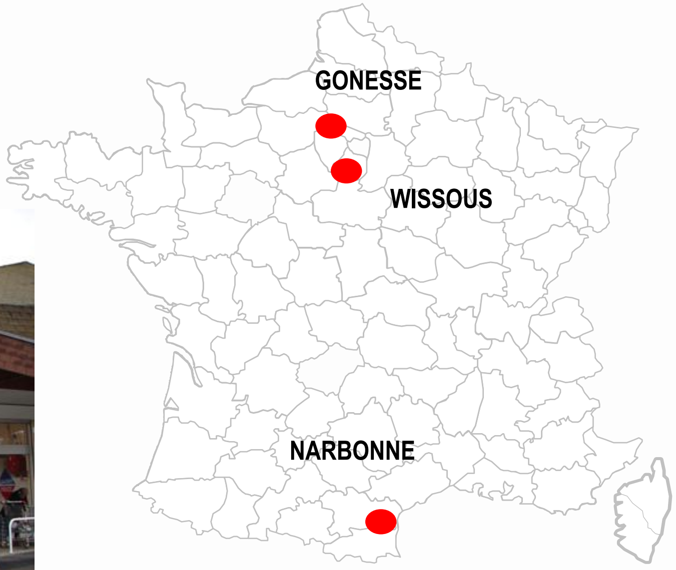
- Focus on small supermarkets = more than 6000 proximity stores = 45% of proximity French stores
- Good coverage except northern France
- Recent restructuring and development of themed and premium own label in 2011:
  - ✓ " Bien pour Vous " = health positionning (fitness, sport, gluten free...)
  - ✓ " Tous les jours " = new value line
- Focus on nutrition (ban on palm oil) and environment (carbon footprint)

- **Buying Policy :** depending on the Distribution network

Casino COMMERCE ÉQUITABLE FAIRTRADE

EMC GROUP: FRANPRIX & LEADER PRICE

- 892 Franprix - urban and Parisian Consumers as 80% of the stores are in Paris area
- 595 Leader Price – Hard Discounter
- Both Retailers are managed by one common Buyer
- For branded products, the Annual Agreement must be negotiated with EMC Casino Group
- For PL, each Distribution Network LP / Franprix can be negotiated independently
- 3 warehouses



EMC GROUP : Monoprix

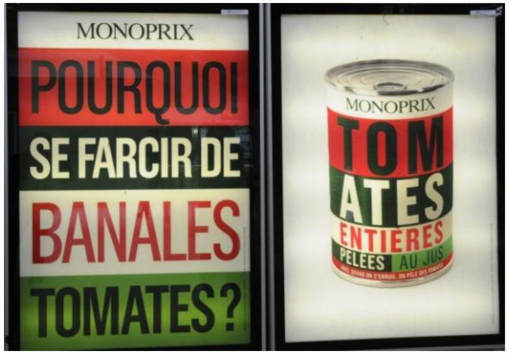
- Monoprix is owned by Casino Group (EMC Distribution)
- Turnover 2011: € 3.9 billion

Supermarkets	**Monoprix**	**289**
Convenience	**Monop'**	**50**
Convenience	**Daily Monop** **Naturalia (organic)**	**13** **49**

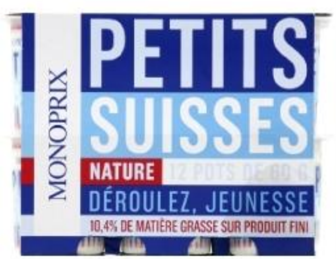
EMC GROUP : Monoprix

Profile : Parisian and very influential

- Situated in town-centres : 2/3 in Paris area (over 80% of turnover generated in Paris area)
- Quality & Innovation (similar to M&S or Waitrose).
- Target: young professionals and middle-aged urban consumers with significant disposable
- Opened to innovative foreign products
- Known for the good quality of their PL ranges (20% of the TO).
- 3 Monoprix PL:
  - Monoprix
  - Monoprix Gourmet – premium
  - Monoprix bio – organic



Buying policy : independent vs EMC Group… until now



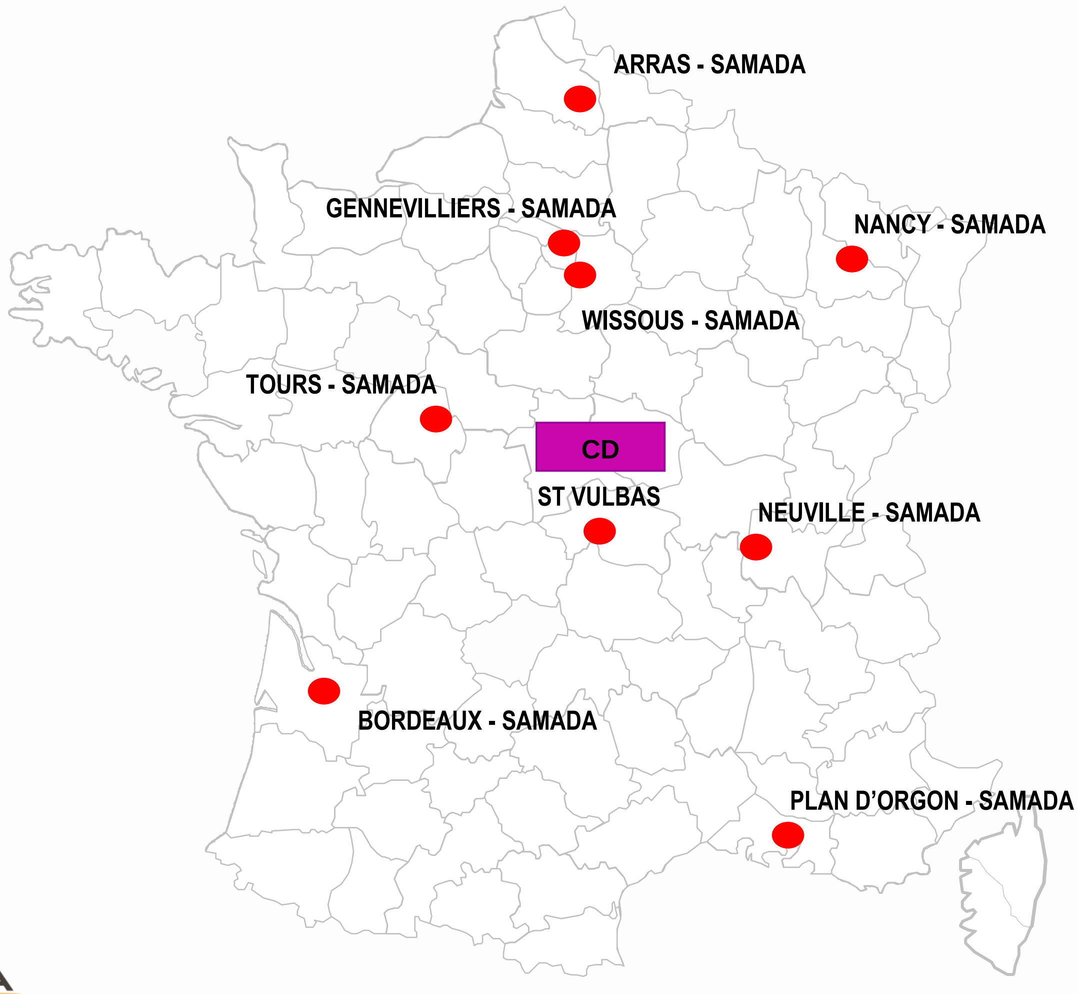
MONOPRIX PL

« Monoprix Gourmet » Premium PL

Organic PL

EMC GROUP : Monoprix

<u>**Monoprix logistics: 8 depots - 4 depots for Monop' or 1 consolidation dépot**</u>



1 Consolidation Depot near St Vulbas for small volumes

PROVERA GROUP - CORA

- **Turnover France 2011: €10 billion**

Hypermarkets	**CORA**	**58**
Supermarkets	**MATCH**	**150**

- Mainly rural, developed in the North and East of France
- Cora has a policy based on margin...which means that they do not really fight on RSP, and are considered expensive by consumers

OTHER DISTRIBUTION NETWORKS

PICARD

Specialized in premium frozen food : 1st Frozen retail group

- **Turnover France 2011: € 1.2 billion**
- 878 stores - 40% in Paris area
- Image of high quality and innovation (more than 200 new products per year)
- Very strict on quality → very few additives accepted, no preservatives etc…
- 95% private label
- Themed PL: healthy, organic, vegetarian...
- Wide assortment range (1200 skus per store) : 2x more than in mainstream retailers
- Small but qualitative Dry Grocery range
- 8 depots

→ **Picard is a trend setter for other retailers who often try to copy Picard's concept.**

→ **Picard has set an example to other retailers in terms of product quality and innovation**

THIRIET

2nd Frozen retail group

- **Turnover France 2011: € 90 Millions**
- Family owned Company created by Claude Thiriet in 1966
- 1 200 skus with very traditional and classical recipes
- 166 stores - Mainly rural

Foodhalls

green seed

- Fine foodstore & luxury « Traiteur » : Hédiard, Fauchon, Lafayette Gourmet, Dalloyau, Lenôtre Traiteur, Grande Epicerie de Paris…
- Luxury / Trendy Shop (food & non Food) : Colette
- Up market snacking: Cojean, Jour …

Lafayette
GOURMET
L'ALIMENTATION DES GALERIES LAFAYETTE

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FOODSERVICE

Main Distributors

- Several main distributors provide the food service industry in France with grocery, fresh and frozen products. They act as a key intermediary between suppliers and restaurants, hotels etc.

Pomona

- More than 90 years of experience in the food distribution in France
- T.O 2011: +2 Mds €
- More than 8500 Skus
- 3 entities: Pomona Terre Azur (fruit, vegetables, seafood), Pomona Passion Froid (fresh, dairy and frozen products), Pomona EpiSaveurs (Grocery and cleaning products)

Davigel

- More than 45 years of experience in the distribution of fresh, frozen products & ice cream in France. Belongs to Nestlé Group
- T.O 2011: 750 M€
- More than 1500 Skus

Brake France

- A British Group with 20 years of experience in the french market
- T.O 2011: 592 M€
- More than 3400 Skus

FOODSERVICE

Main Restaurant chains

Mac Donald – Fast food (1 200 restaurants)
Quick – Fast Food (371 restaurants)
Buffalo grill – Steakhouse restaurant (328 restaurants)
Flunch – standard restaurant (240 restaurants)
Hippopotamus – Grill restaurant (130 restaurants)
Courtepaille - Grill restaurant (235 restaurants)
Pizza Hut – Pizza restaurant (120 restaurants)
Pizza del Arte – Pizza Restaurants (109 restaurants)

Main Hotel chains

Best Western Hotel (274 hotels)
Mercure (239 hotels)
Ibis (267 hotels)
Campanile (350 hotels)
B&B Hotels (274 hotels)
Novotel (121 hotels)
Kyriad (193 hotels)
Etap Hotel (201 hotels)

FOODSERVICE

Travel catering

- Planes: Servair / Air France
- Trains: SNCF, Eurostar
- Ferries: Brittany Ferries

Retailers' Instore Cafes

- Casino Cafeteria (188 cafeterias)
- Cora Cafeteria (56 cafeterias)
- Leclerc Cafeteria
- Carrefour Cafeteria

Cash & Carry

- Promocash (139 stores = Carrefour)
- METRO (92 stores)

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Federatie Voedingsindustrie

Blue Diamond

Objectives

- Blue Diamond is a US Company, and the largest Almond company in the world, representing 3000 almond growers. It is the n°1 almond brand in the US with 100 years of leadership in the market. Blue Diamond engaged Green Seed France to help introduce its innovative and qualitative products to the French retail market. www.bluediamond.com

Green Seed France's response

- Green Seed France managed a 1st assessment study of the French aperitif market, in order to evaluate the potential and feasibility for Blue Diamond: size and growth of the category, market trends, competitors, level of price and margin. Green Seed France recommended the Marketing mix, identified & recommended the leading distribution partners, as well as the logistic options.

Results

- In collaboration with GSF, Blue Diamond developed specific packs for the French Market.
- Blue Diamond's products were launched in the 290 Monoprix stores (July 2012) and CARREFOUR stores (national listing in HM & SM in Oct)
- The Green Seed team is in contact with other retailers to continue developing Blue Diamond's business in France.

Dormen Food

Objectives

- The English company Dormen Food specialises in luxury apéritive nuts. Dormen Food engaged Green Seed France to help introduce its high quality nuts to the foodservice and catering market.

www.thedormenfoodcompany.com

Green Seed France's response

- Firstly, Green Seed France identified the best distribution network adapted to Dormen Food' products: fine food store chains, luxury hotels, food halls…Then, Green Seed directly contacted the targeted chains, presented the Dormen Food range, and negotiated the different listings on behalf of Dormen. Green Seed France is proud to have managed sales and marketing support of Dormen Food for more than 7 years.

Results

- The Dormen's products are listed at:
  - 50 Luxury Hôtels ***** and Palaces in France and Switzerland
  - Picard Surgelés – frozen luxury food chain (since 2008)
  - Air France, 1st Class (since 2008)
  - Albert Mènes – PL of a Luxury food brand (since 2009)
  - Fauchon – Luxury Food hall (since 2010)

Indulgence Patisserie

Objectives

- English manufacturer Indulgence Patisserie Ltd is specialized in high quality frozen cheesecakes and desserts. Indulgence Patisserie engaged Green Seed France to help introduce its products to the French market. http://www.indulgence.co.uk

Green Seed France's response

- Green Seed France analyzed the channels distribution adapted to the products in terms of priorities: Foodservice, Frozen Distributors, In-Store Bakeries ...
- Green Seed France determined a list of clients to contact and then approached them to present and negotiate the listing of Indulgence Patisserie's products.
- Green Seed France has been managing the business development of Indulgence Patisserie for 5 years.

Results

- Indulgence Patisserie has been listed at Buffalo Grill since 2009. Buffalo Grill offers to its customers a trip to the "Far-west" and a "cow-boy atmosphere". Buffalo Grill group owns 320 restaurants, mainly in France. In July 2011, a new tender was issued and Indulgence Patisserie has been retained for the second time for a 2 years period.

Sunstart Bakery

Objectives

- Irish company Sunstart Bakery is specialized in gluten free biscuits. Well-known in the growing and well established gluten free market in the UK, Sunstart engaged Green Seed France to help introduce its products to the French market in retail. http://www.sunstarteurope.com/

Green Seed France's response

- Green Seed France first analyzed the gluten free market and its potential in France, and determined the priority for Sunstart Bakery. Knowing Sunstart's USP, Green Seed France recommended the Private label option in retail. Green Seed France then approached the buyers in order to present and negotiate the listing of Sunstart Bakery's products for the targeted Retailers.
- Green Seed France has been working with Sunstart Bakery for 5 years now.

Results

- Introduced in Monoprix in 2008 as the Monoprix Private Label
- Introduced as Carrefour France Private Label at the end of 2009. Now also commercialized in Carrefour Belgium, Italy and Greece. Soon in Spain…

The Olives from Spain

Objectives

- Olives from Spain is the Cooperative of Spanish olives growers. Since 2009, the cooperative engaged Green Seed France to help improve consumer awareness of the Spanish Olives in France

Green Seed France's response

- 720 days of POS activity in the mainstream retailer incl. one prize draw to win (WE in Seville for 2 persons)
- PR actions: Tapas demonstrations by a well-known young talented Chef, Benjamin Darnaud, in the most important press groups + press kit with his recipes
- Web activity
  - Website (created and managed by Green Seed): newsletters, goodies, microblog, prize draw pages, press room, dynamic design with flash animations…
  - Social networks: regular status updates, news, pictures, links and recipes posted on both Facebook and Twitter.

Results

- Over 100 press cuttings in 2011
- + 20% (vs. 2011) increase of the website traffic + over 11 000 fans on Facebook (sept 2012)
- An average of 5 000 to 12 000 participants for each prize draw
- Overall positive and appealing image of Olives from Spain reinforced
- Better consumer awareness regarding the country of origin of olives

Retailers are very demanding!

- Bring something new to the category and keep a close eye on your RSP when developing innovative products as Retailers use it to gain a little bit more margin (average rate 121 on FMCG).
- Work out the best logistic route to minimize your costs and RSP
- Relevant local legislation:
  - VAT on food = 5.5% or 7%
  - Obligation to recycle packaging: green dot (Eco Emballage)
  - Invoicing in Euros (€) – per unit
- EDI is highly recommended
- Quotes: delivered
- For branded products :
  - Be able to compete with existing brands : sales force is appreciated + Mkt support is required
  - Develop specific CGV and Tariff for Retailers
  - Strong demand on Exclusivity and Innovation
- For Private Label development:
  - Open book costing will be asked
  - Strong demand on : Quality (IFS, BRC…), Traceability

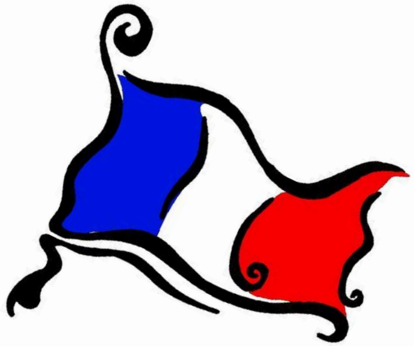
Distributors are very demanding!

green seed

✓Be ready for fierce price negotiations with Retailers

✓Be flexible and willing to adapt recipes and pack to the French Market

✓Be ready to invest : time / people / finance



green seed

International Food Consulting

THANK YOU

We look forward to helping grow your business

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