green seed
International Food Expertise

FRENCH MARKET PRESENTATION

For : FEVIA
From : Sophie Delcroix – Elise Deroo – Green Seed France
Date : 19th June, 2014

Green Seed Group

Having 25 years of experience, the Green Seed Group is a unique international network of 11 offices in Europe, North America and Australia, specializing in the food & beverage sector

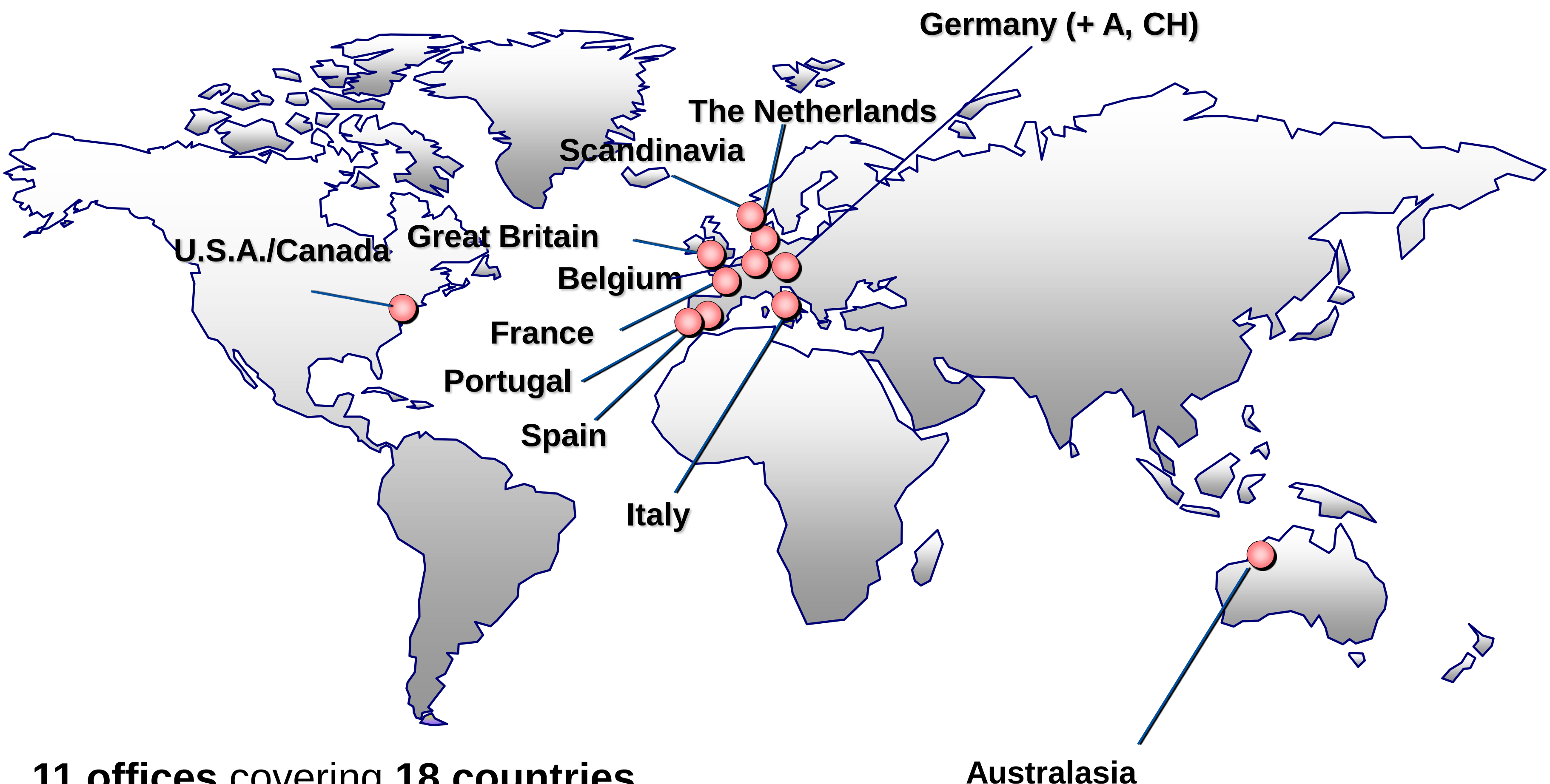
OUR MISSION

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

A growing and unique international network



11 offices covering **18 countries**

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

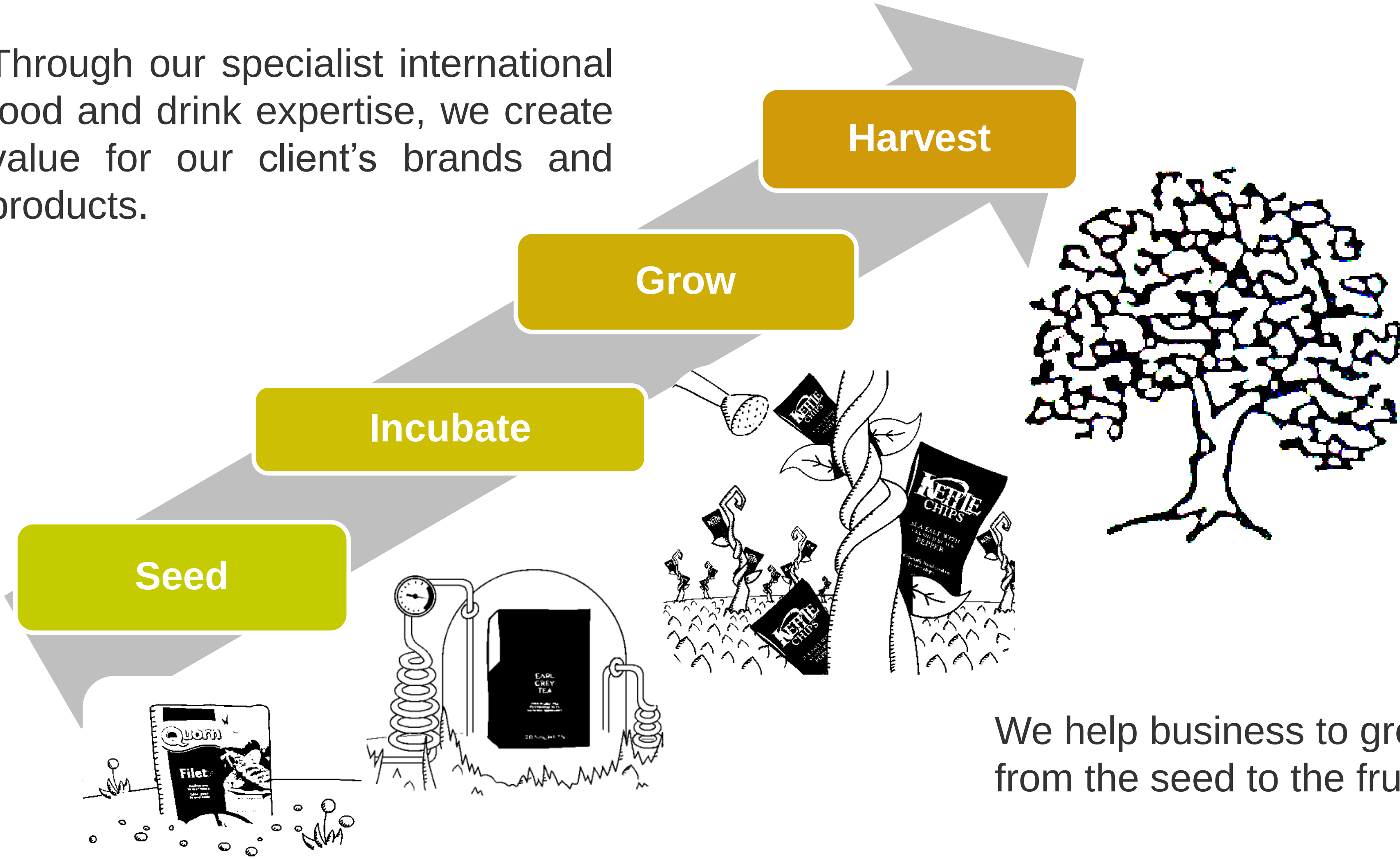
Green Seed is different…

“Why is Green Seed Different?”

We have a proven track record of cost-effectively seeding, incubating and growing brands in international markets. Our in-market professionals provide strong retail buyer connections, consumer insight and multi-category strategic planning for the food & drink sector

The Green Seed Concept

Through our specialist international food and drink expertise, we create value for our client’s brands and products.



We help business to grow, from the seed to the fruit

Our Services: Strategic and Operational

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International Food Expertise

1. Market Research

- Trade & Consumer Insight
- Opportunity Assessment
- Trends & Developments
- Quantitative research (Scanner data, Nielsen…)

2. Strategic Planning

- Market Entry Strategy
- Product Proposition Evaluation
- Sales & Profitability Projections
- Partner Search & Introduction

3. Sales Execution

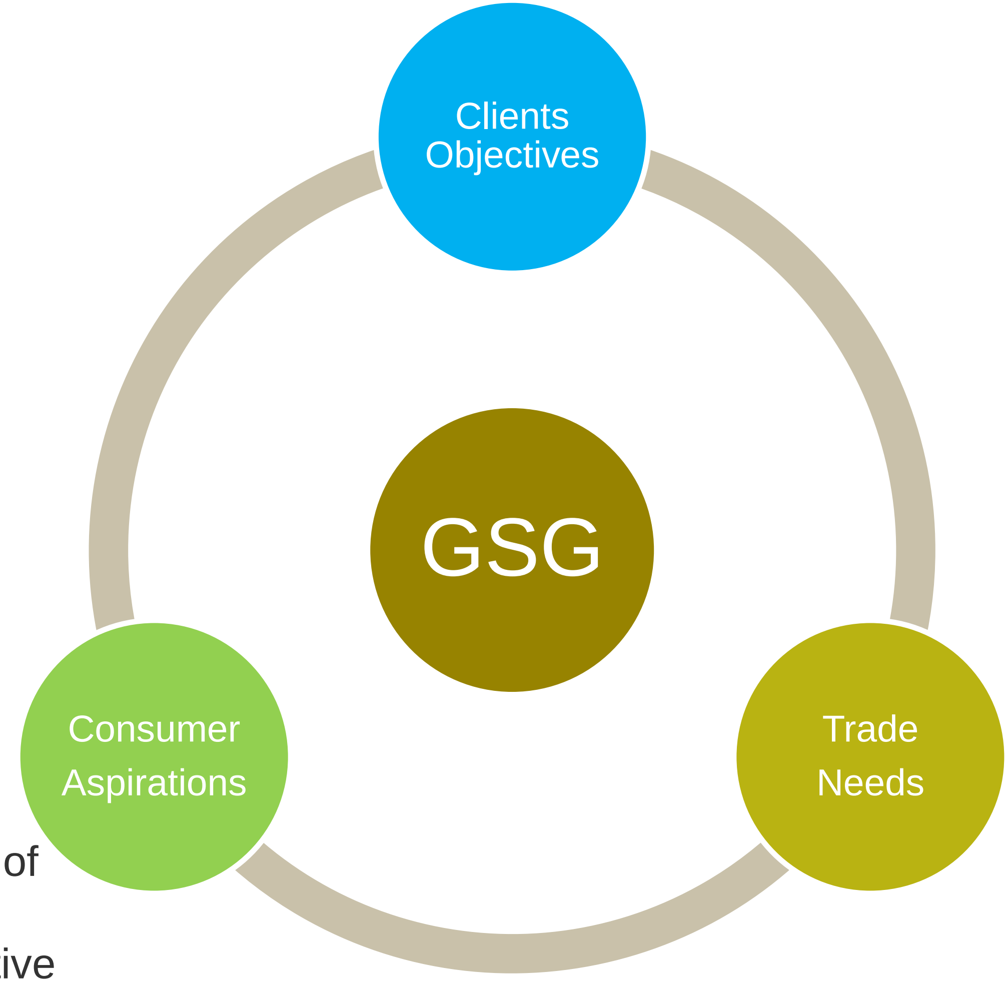
- Sales Strategy & Planning
- Market Entry Support
- Trade introductions & management
- Channel & Category Planning
- Key Account Management

4. Marketing Support

- Brand Planning
- Trade & Consumer Promotion
- Event Management
- Public Relations
- Web & social media

We Advise, We Execute & We Deliver

The Facilitator



Green Seed is the *facilitator*: Combination of understanding of trade needs, consumer aspirations and client objectives lead to effective and original campaigns

Doing business since 1991

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FMCG Producers

- Blue Diamond Almonds
- Schär
- POM Wonderful
- dorset cereals — honest, tasty and real
- Quorn

Country representational bodies

- FEVIA — Federatie Voedingsindustrie / Fédération de l'Industrie Alimentaire
- Scottish Development International
- Bord Bia — Irish Food Board
- Invest Northern Ireland — Building Locally, Competing Globally
- Israel Export Institute

Industry sector organisations

- NORGE — Produits de la mer de Norvège
- EBLEX
- USA Rice Federation
- Wines of South Africa — variety is in our nature
- Hybu Cig Cymru — Meat Promotion Wales

Local trade partners

- ife — the international food & drink event, 17-20 March 2013 ExCeL London
- Fauchon Paris
- Carrefour
- picard
- Auchan
- Monoprix

EU supported projects

- Consorzio Olivicolo Italiano UNAPROL Italia
- Mix'n'Olives!

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. KEY LEARNINGS

VII. CASE STUDIES

France is…

Food is an important part of French life style	Strong culinary tradition	Large Food industry
85% of French consumers believe that “health is in the plate”	French Cuisine is inscribed on UNESCO's World Heritage List since 2010	15 000 French manufacturers

What is said …

When French people are not eating, they are talking about food

International Context

Top 10 Western European Markets

Country	Grocery Retail Market (€bn)
1. France	**208.17**
2. Germany	162.46
3. United Kingdom	161.96
4. Italy	129.56
5. Spain	97.05
6. Switzerland	39.77
7. Belgium	34.92
8. Netherlands	34.46
9. Sweden	24.55
10. Greece	23.72

Top 10 Global Markets

Country	Grocery Retail Market (US$bn)
1. USA	881.84
2. China	789.91
3. Japan	359.96
4. India	350.38
5. Brazil	289.92
6. France	**276.04**
7. Russia	256.38
8. Germany	215.43
9. United Kingdom	214.60
10. Italy	171.80

France is n°1 in the European Market for Grocery Retail market and 6th in the Top 10 Global markets

Source: Retail Analysis Datacentre, calculated in 2011

The Economy

- 66 million inhabitants, almost 60% are between 20-64 years old*
- Inflation : +2.3%*
- Unemployment rate in France: 10%
- 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 2013

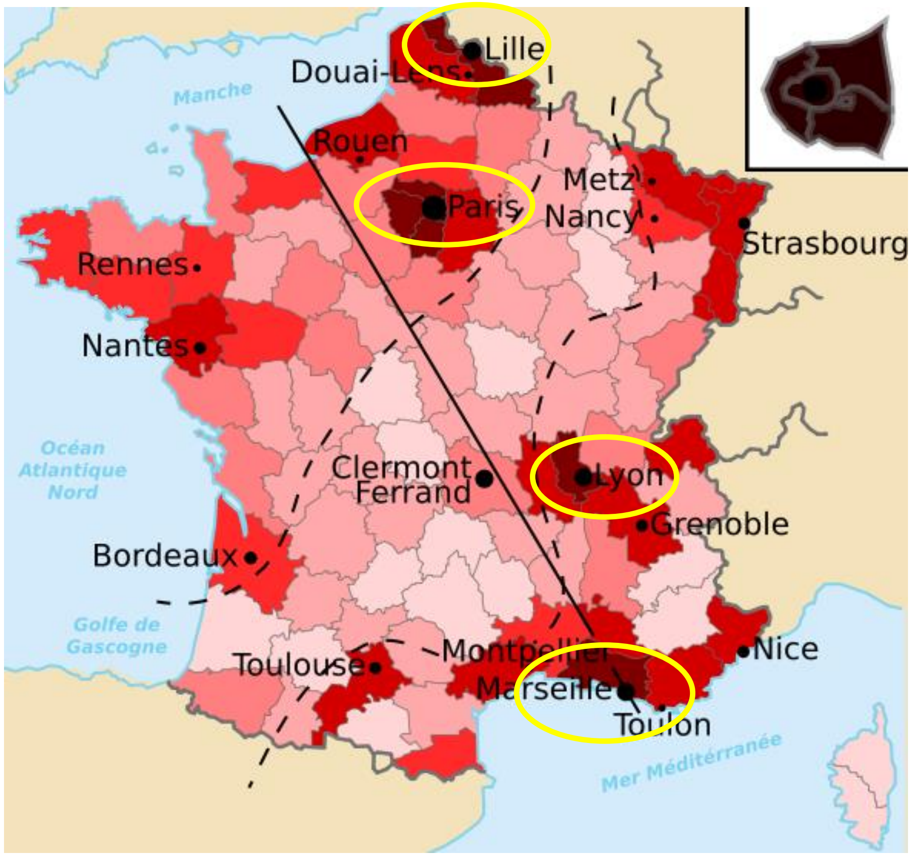
French population

A concentrated population in Ile de France (Paris and suburbs)

- 19% of the activity (12M pers)

- world's 4th and Europe's wealthiest and largest regional economy

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



Map of the main French cities > 400 000 inhabitants

- cities > 5 000 inhabitants /km²

Key Consumer Trends

- **Increase in the prices of food and drink (raw materials)**
  - Renewed interest in shopping at proximity stores and local markets
  - Development of value line ranges + improvement of the PL (quality, nber of skus, NPDs…)

- **Origins & label certifications**
  - Information, Labels (IGP, AOP “terroirs” regional specialities, Label Rouge…) and certificates appreciated by the French Consumers
  - The “clean label”: more precise and transparent information about the product, distrust regarding additives

Intermarché PL of white wine with mango

Key Consumer Trends

- **Healthy eating & nutritional products:**
  - Rise of obesity → development of products offering well being, balanced diets, healthy positioning
  - Nationwide advertising campaigns to eat “5 fruits & vegetables per day”
  - Favourable to low-fat, low-sugar, anti-cholesterol, probiotic, gluten free ranges,etc.

- **Natural**: Naturality is a growing trend. Consumers are going back to “manger-vrai” Simple manufacturing processes and simple marketing speech

Key Consumer Trends

- **Sensory experience**

Fun foods can provide a moment of escapism from daily struggles.
High development in texture/flavor/taste experience…. But also search for authencity.

  - Texture inclusions
  - Larger/smaller pieces
  - Traditional and authentic experiences

*Innova Market Insights 2013

Key Consumer Trends

- **Convenience**

Covering all categories of products, Convenience is a in-depth trend which can revolutionize a market

*Innova Market Insights 2013

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Overview of the French Retail Sector

- **High concentration** and unbalanced power: 7 major large scale Retailers ... and 36 000 suppliers

- **Retailer groups either have a decentralised (Leclerc, Intermarché…) or very centralized** organisation (Carrefour, Auchan, Monoprix…)

- **Internationalisation**: Carrefour and Auchan generate approx 50% of their turnovers outside France…opportunities to be listed abroad through central buying French office

- After a strong development of **hard discounters, their market** share is **slightly decreasing** (12,2% in 2013 vs 14,1% in 2009)*

* Nielsen Jan - 2014

The Buying Process in France

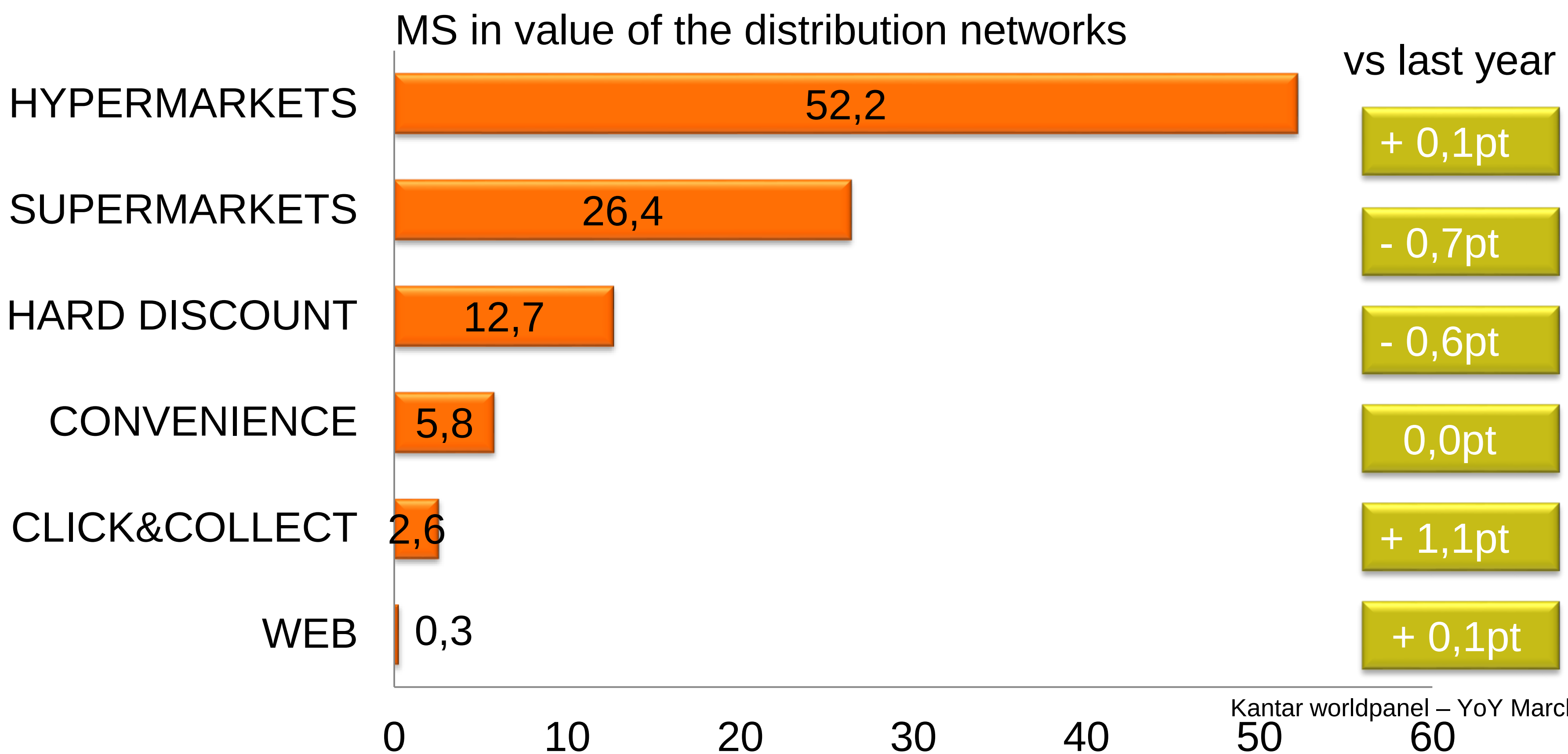
Buyer Expectations and Considerations

- **Buyers time** is highly demanded
- Solid sales numbers/projections and await for real USP's
- High GM on product (Category dependent – 35% to 50%)
- Products adapted to the French market (name / taste/ ingredient list…)
- Specific budget for the launch : free samples, promotion, in-stores tasting, or sales force (brands)
- Stable price for minimum 18 months from launch
- Agreement with the Marketing Manager is needed

➔ Buying process is often very long (3 months to 1 year)

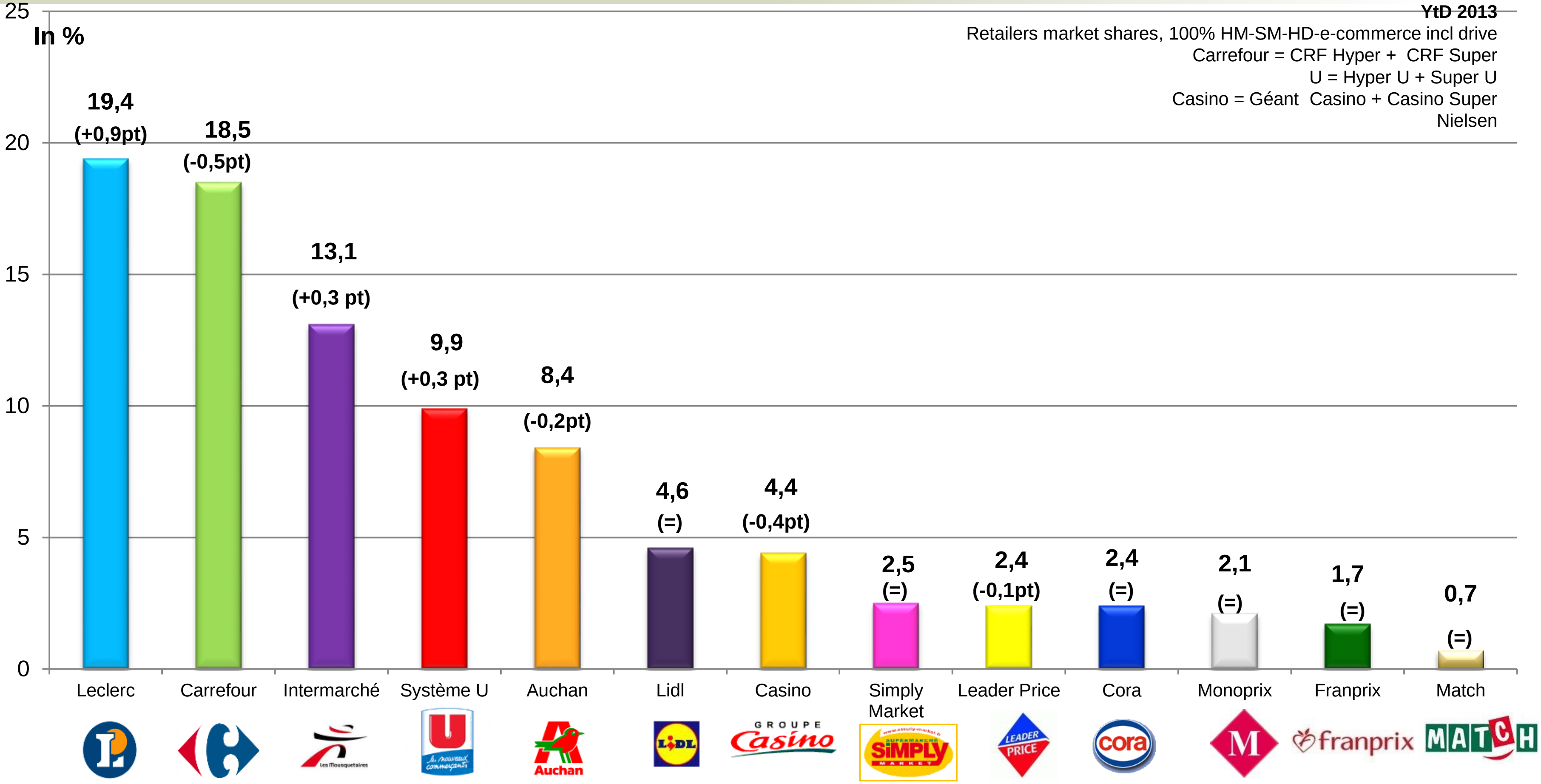
Overview of the French Retail Sector

Hypermarkets format still represent +50% of the retail business



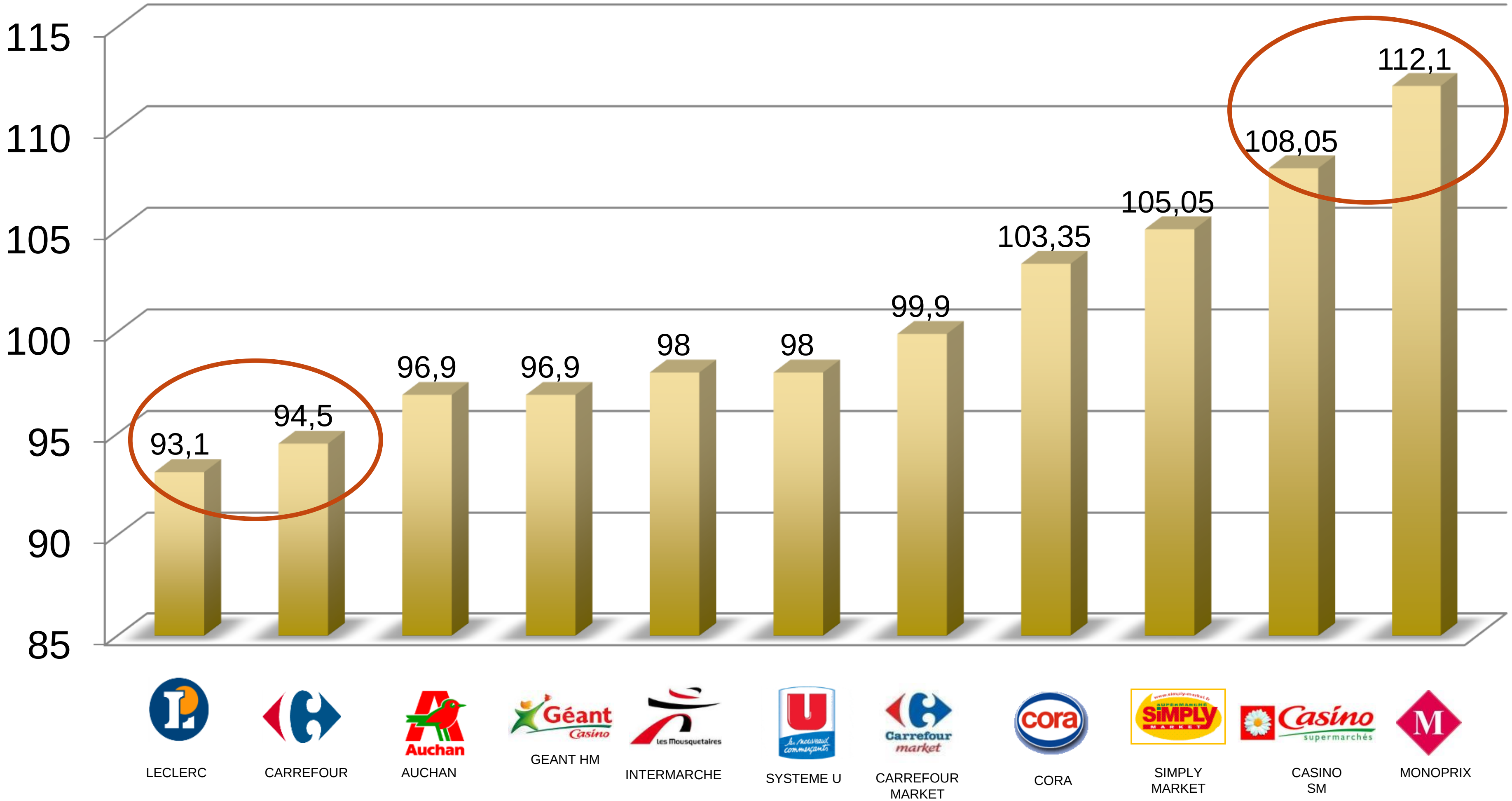
Kantar worldpanel – YoY March 2013

Retail Groups : Market Share



Fierce battle between Carrefour and Leclerc to gain the Leadership

Retailers : Price Index on branded products



Source : Lineairesprix – 2nd sem 2013 – based on 136 food products

LME: Branded products focus

Since 2008, Loi de Modernisation de l'Economie (LME) Economy Modernization Law, an exception in the EU

- The aim of this law is to restore a fair balance between suppliers and retailers = 7 retailing groups and 36 000 suppliers (97% SME's)
- Marketing budget, RSP and margin calculation are highly regulated
- Rules are changing every year !

LME: Branded products focus

SUPPLIER SIDE

Conditions Générales de Vente (General Sales Conditions) :

- The “CGV” are mandatory for any company established in France, and highly recommended for foreign companies: logistic conditions, payment terms, discounts, promotional budget payment…

Public Annual Tariff

- The Public Tariff must be the same for any distributor of the same category (Cash & Carry, Online Business, Retail, Food Service…).

AGREEMENT BETWEEN SUPPLIER & RETAILERS: 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 and your Marketing budget to support the brand

- 1st national agreement can be signed at any time of the year - Renewed contract must be signed **before the 1st March**

Retail Price competition

Depending on their strategy rather based on a Margin objective vs a Competitive image, French retailers have different approaches:

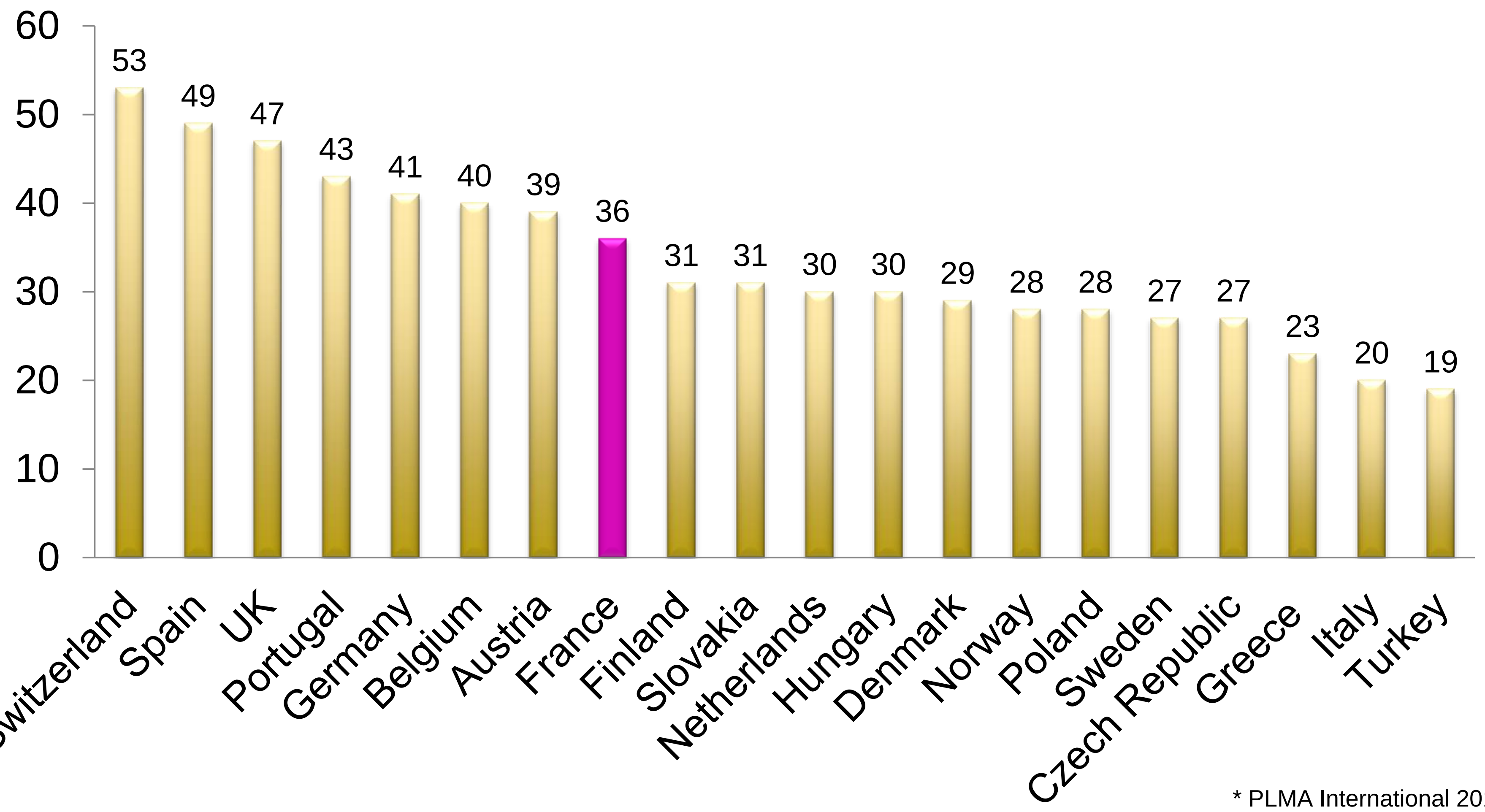
- **Leclerc** is amongst the most Price Competitive http://www.quiestlemoinscher.com/ and communicates a lot on it (= whoisthecheapest.com).

- **Carrefour** works with "Price Zone": each Carrefour Store identifies the 10 less expensive stores around, to fix its own RSP. Since 2 years, Carrefour became quite aggressive on price as per Leclerc

- Early 2013, **Casino** strategy changed and became very price aggressive

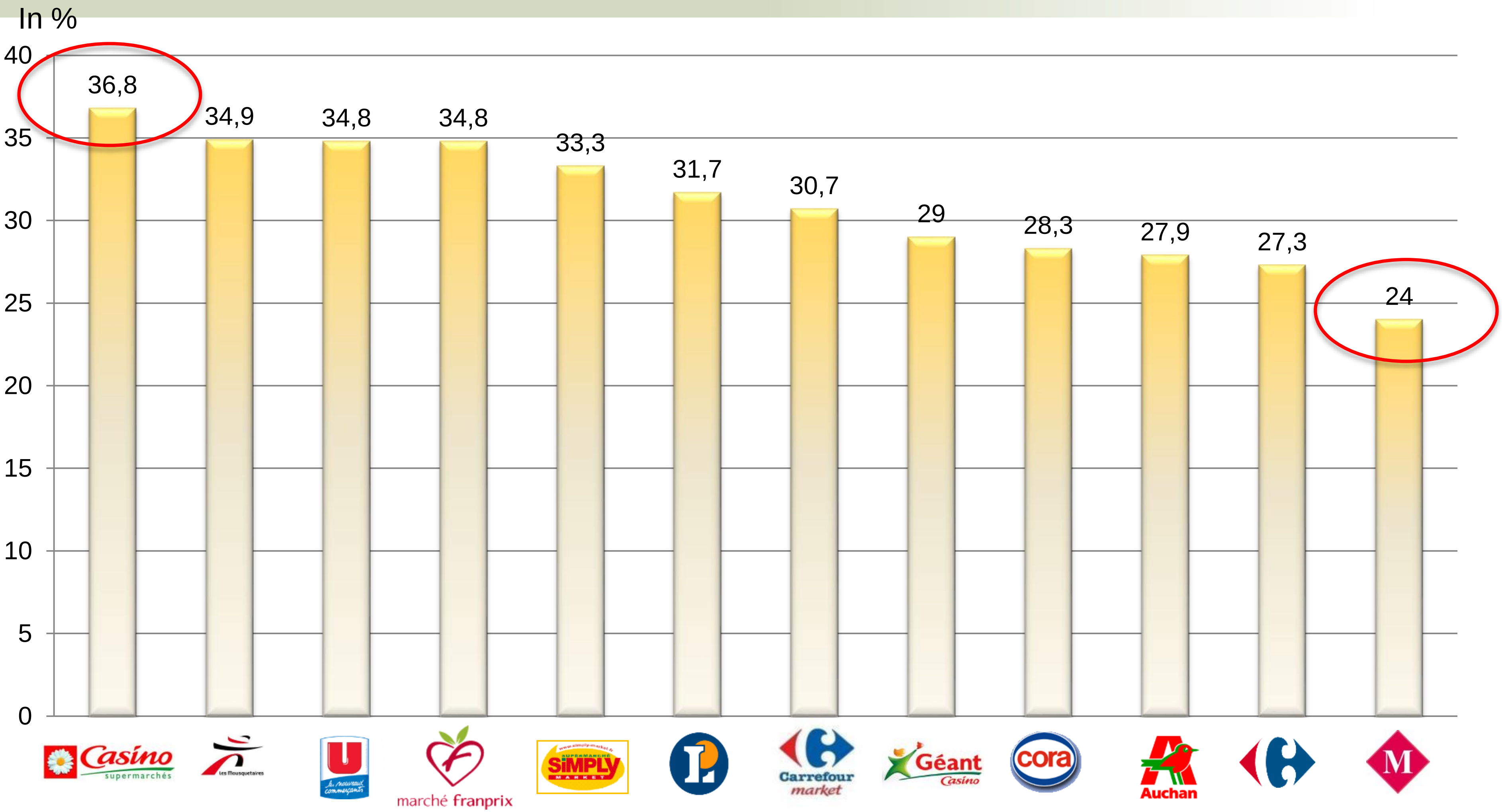
Private Label MS per country

Private label market share in Europe / country : % value (2013)



* PLMA International 2013

Private Label MS per retailer



Private Labels Focus

- Themed Own Label : ethnic, organic, French local Suppliers, Healthy, Premium...
- Tenders:
  – Long procedure
  – 100% distribution – not only France
  – 1 main software Trace One
- Retailers are very demanding
  – Open Book Costing details
  – Recipe: raw materials, control plans, allergens, nutritional information…
  – Manufacturing process: HACCP…
  – Finished product: control plans...
  – Traceability
  – Pack: type of raw material, checks, printing information...
  – Logistics: pallets/case configuration, dimensions...

Private Labels Focus

- IFS certificate is often mandatory - No internal audit if Suppliers has IFS certificate
- Price list is considered « 3 x net » incl. ECO Emballages costs (Recycling Dot), samples, consumers panels… However, even if retailers should not invoice to promote their own products, they frequently ask for additional budget like samples, tasting sessions, free products to start…
- EDI is highly recommended
- No sales force will be required
- 1 year to 18 month contract
- Product development and negotiations will be handled in French

LECLERC

No 1 retail group in France in MS

- Market Share 2013: 19,4%
- Worldwide T/O 2013: € 45.2 billion

Hypermarkets	573	16 depots to deliver
Proximity	Leclerc Express: 56 Leclerc Drive: 445	

- Focus on medium-size hypermarkets (average 5,000m²)

- 3 main PL :
  - “Nos Régions ont du talent” =French regions / Premium
  - “Marque REPERE” = standard
  - ECO + : value line

LECLERC

Buying policy

- Leclerc Group is managed by a private cooperative grouping over 500 members
- Michel Edouard Leclerc, son of the Founder, is the emblematic figure of the "Consumer's purchasing power" defence
- Leclerc is the most Price Competitive mainstreams Retailers = high pressure on buying prices every year
- For PL, centralized buying policy
- For branded products, 3 purchasing levels
  - ✓ 1 central buying office in Paris
  - ✓ 16 regional offices
  - ✓ Stores level

le mouvement E.Leclerc

CARREFOUR GROUP

groupecarrefour

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
  - Shopi
  - 8 à Huit – Au Cœur de la Vie.
- **Cash & carry Catering**
  - Promocash
  - Prodirest – le fournisseur n° 1 de la restauration

CARREFOUR GROUP

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

- Market Share 2013: 18,5%
- Worldwide T/O 2013: €84.3 billion

Hypermarkets	231 Carrefour	Average HM size : 9,350m²
Supermarkets	936 Carrefour Market	
Hard Discount	900+ ED	
Convenience / Proximity	500 Carrefour City – 427 Carrefour Contact - 7 Carrefour Montagne - 108 Shopi 1 Carrefour Bio store	

	Depots
Super & Proxi	12
Hyper	9
Chilled & frozen	8
Consolidation Centers	2 x 3

CARREFOUR GROUP

Buying policy

- Want to be seen as the most innovative and a « leading position »
- Limited number of suppliers and quite open to foreign manufacturers
- Very centralized : 1 buyer for HM / SM and Convenience
- PL can be sold in the “G5” : France, Spain, Greece, Italy, Belgium. Carrefour Discount PL : 5th brand sold in France
- For brands : high demand on promotion - sales force not mandatory

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 ie : fresh food, baby food, fashion …

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

INTERMARCHE

No. 3 retail group in France in MS

- Market Share 2013: 13.1%
- Worldwide T/O 2013: € 39.9 billion (87% generated in France)

Intermarché Hyper	84
Intermarché Super	1,363
Discount : Netto	325
Intermarché Contact	324

	Warehouses
Regional Offices & Depots	3 to 46
Grocery	24

- ITM is a private cooperative grouping 3 000 Independent members (stores are the property of each store director = large differences between stores)
- Small hypermarkets (av. 4,000m²) and medium size supermarkets (av. 1,900 m²)
- 100% national coverage but more in rural areas

INTERMARCHE

Buying policy

- Central purchasing office : 1 buyer + 1 store owner
- Soft-discount philosophy
- The only retailer involved in food production (60 production units → 40% of their PL)
- Huge volumes for PL – 100% distribution
- For brands = regions or promotion

SYSTEME U

No. 4 retail group in France in MS

- Market share 2013: 9.9%
- Worldwide turnover 2013 : €23.9 billion

Hypermarkets (Hyper U)	65	8 to 26 dépots to deliver
Supermarkets (Super U)	741 Super U +	
Other : convenience	288 U Express	

- Average Supermarket size: 2,300m² - Mainly Supermarket format

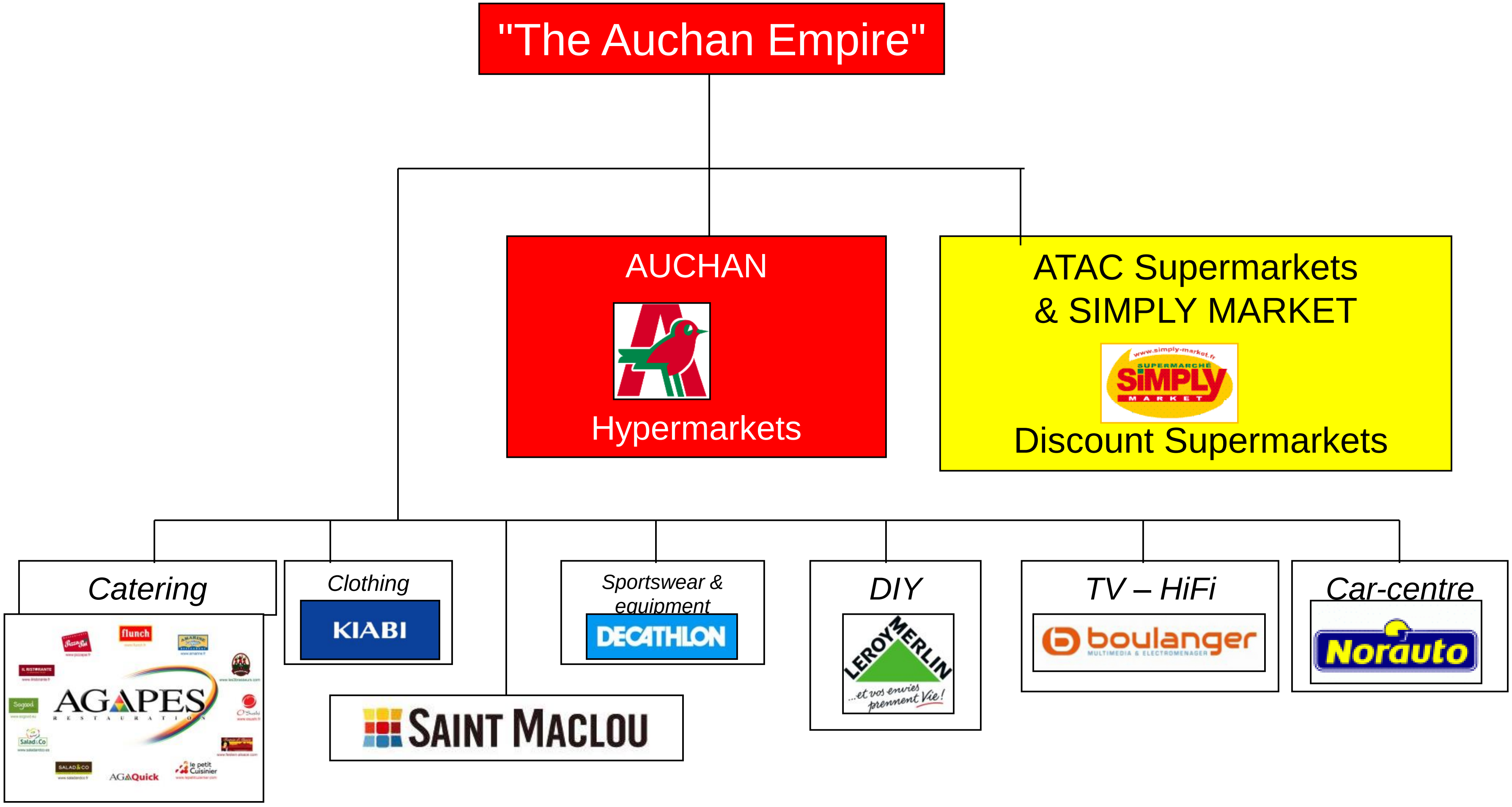
- Since 2011, Système U has launched a campaign to announce that 82% of its Private Label products will be sourced in France

SYSTEME U

Buying policy

- Independent retailer: store manager owns the store
- Centralized buying system
- 4 regional buying regions : east, north-west, west and South
- However, the buying office just recommends the assortment
- Sales force is needed

AUCHAN


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

AUCHAN

No 5 retailer in France in MS

- Market Share 2013: 10,9%
- Worldwide T/O 2013: € 48.7 billion (50% of TO generated outside France – 13 countries)

Hypermarkets	146
Supermarkets	311 Simply Market, 81 Atac
Hard Discount	7 Les Halles d'Auchan
Convenience	1 Auchan City
Drive	91

	Depot
Total	30
Grocery	1 to 9

- A family owned company that caters for… families
- Auchan has always been known for its very large hypermarkets (= 10,100m² vs 5 400m² French average size).

AUCHAN

Buying policy

- Large product assortments (12,000 Auchan PL products) → Large number of suppliers, open to innovative SMEs.
- Centralized buying policy but stores are also involved in the negotiation process
- Annual “Commission” is organized with the Regional Depots
- For PL, 2 buyers for HM & SM
- Auchan has signed an agreement with Logistic Service Provider Logismark for grouped deliveries for grocery products

AUCHAN

Auchan Partners

Eurauchan
Central Purchasing Office

- 12,000 Auchan PL products
- 1,900 Auchan Value Line products

METRO Cash & Carry

- Recent partnership allowing Metro to access Auchan's provider network and sell Auchan PL products
- 91 self-service warehouses
- 40,000 references
- Over a million clients (400,000 in the catering business)

Schlecker

- German retailer (14,000 stores - 160 in France)
- Partnership signed in 2009 with Eurauchan: Auchan PL & Value Line products are sold in Schlecker stores

Schiever

- 7 Auchan Hypermarkets in France and 4 in Poland
- 7 restaurants (including 4 Flunch restaurants)
- 81 Atac - 37 Maximarchés - 70 Proximarché

EMC – CASINO Group

Groupe Casino – EMC Distribution

- 100% Groupe Casino
  - GEANT Casino **Hypermarkets**
  - CASINO **Supermarkets**
  - **Proximity stores**: Petit Casino, Vival, Spar, Ecoservice
- 75% Leader Price – **Soft Discount**
- 95% **Convenience** – le Marché Franprix
- 100% MONOPRIX **Supermarket**: Monoprix, dailymonop', Monop'

EMC – CASINO Group

N°6 Retail Group in France in MS

- Market Share 2013: 8,2% (incl. Monoprix)
- Worldwide T/O 2013: € 48.6 billion
- Focused on Supermarkets & Convenience stores
- Good coverage except northern France

Hypermarkets	117 Géant Casino	
Supermarkets	346 Casino 885 Franprix 300 Monoprix	
Hard Discount	619 Leader Price	
Convenience / proximity	1 500 Petit Casino 956 Spar, 1699 Vival, Ecoservice… 75 Monop	

CASINO - CASINO Group

CASINO Hyper &Supermarkets

- Market Share 2013: 4,4%

- Focus on small supermarkets = Recent restructuring and development of themed and premium own label :
  - ✓ “ 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)

“ Tous les jours “ = new value line

CASINO - CASINO Group

Buying Policy

- Recent strategic change, more focused on price positioning
- For brands, a global contract for EMC group is possible
- Monthly “Showrooms” to share NPDs between their networks (Franprix, L Price, Casino …)
- Almost 40% of the business is made by their PL which is one of Casino’s priorities
- 1 to 10 depots to deliver

FRANPRIX & LEADER PRICE - CASINO Group

- 875 Franprix - urban and Parisian Consumers as 80% of the stores are in Paris area
- 600 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 main warehouses for grocery

PL FRANPRIX – LEADER PRICE

Tasty products ready for use
Original and trendy recipes
Small formats for gourmet

The brand « marché Franprix »
A lot of gourmet ideas affordable to all Appetizer, ready meal, sauces, antipasti and sweet foods…

« BIO », finally organics for all and your budget is going green!
113 SKUs

MONOPRIX – CASINO Group

- Monoprix is owned by Casino Group (EMC Group)
- Market Share 2013: 2,6%

Supermarkets	Monoprix	300
Convenience	Monop’	75
Convenience	Daily Monop Naturalia (organic)	17 79

MONOPRIX – CASINO Group

Profile : Parisian and very influential

- Situated in town-centres : 2/3 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 (24% of the TO).
- 3 Monoprix PL : Premium / Organic / standard

MONOPRIX – CASINO Group

Buying policy :

- Since 2012, getting less independent vs EMC Group.
- However, direct contract with Monoprix is possible
- 1 to 8 depots to deliver
- Quite simple buying process for brands
- No sales force needed

PROVERA GROUP - CORA

- Turnover worldwide 2013: €9 billion
- Market share 2013: 3.1%

Hypermarkets	CORA	59
Supermarkets	MATCH	143

- 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

Buying policy :

- Mainly focused on margin
- 1 to 4 depots to deliver

Hard Discount

	HARD DISCOUNT	No. of stores	MS of HD
	LIDL	1 616	4,6%
	DIA / Ed (Carrefour)	888	1,6%
	ALDI	919	2,3%
	LEADER PRICE	604	2,2%
	NETTO (Intermarché)	340	0,8%
	Le MUTANT+ MUTANT Express	171	-
	NORMA	113	

FOODSERVICE

Pomona

- More than 90 years of experience in the food distribution in France
- T.O 2012: +2 Mds €
- More than 8,500 Skus
- 3 entities: Pomona Terre Azur (fruit, vegetables, seafood), Pomona Passion Froid (fresh, dairy and frozen products), Pomona EpiSaveurs (Grocery and cleaning products)

Davigel

- Belongs to Nestlé Group. Created in 1963, Davigel is one of the Distribution leader delivering approx 10 00 clients/ day mainly with fresh, frozen products & ice cream in France.
- T.O 2012: 783 M€
- Approx 3 000 skus and 15 « chefs »

Brake France

- A British Group, with 20 years of experience in the french market
- T.O 2012: 630 M€
- More than 3,400 Skus for + 44 000 clients

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)

METRO CASH&CARRY France

- TO 2012: € 4 billions of which 89% of food

- 93 METRO stores
- 12 METRO drive (click&collect)

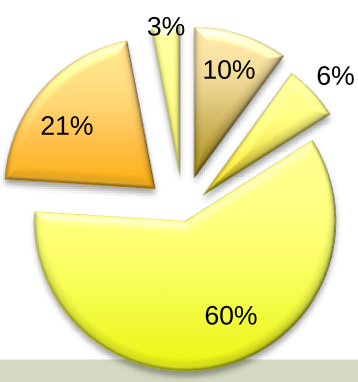
- 2 consolidation depots (North or South)
- 1 to 22 warehouses (4 for chilled) :

- More than 1 million clients

- 45 000 skus from fresh products to professionnal equipment

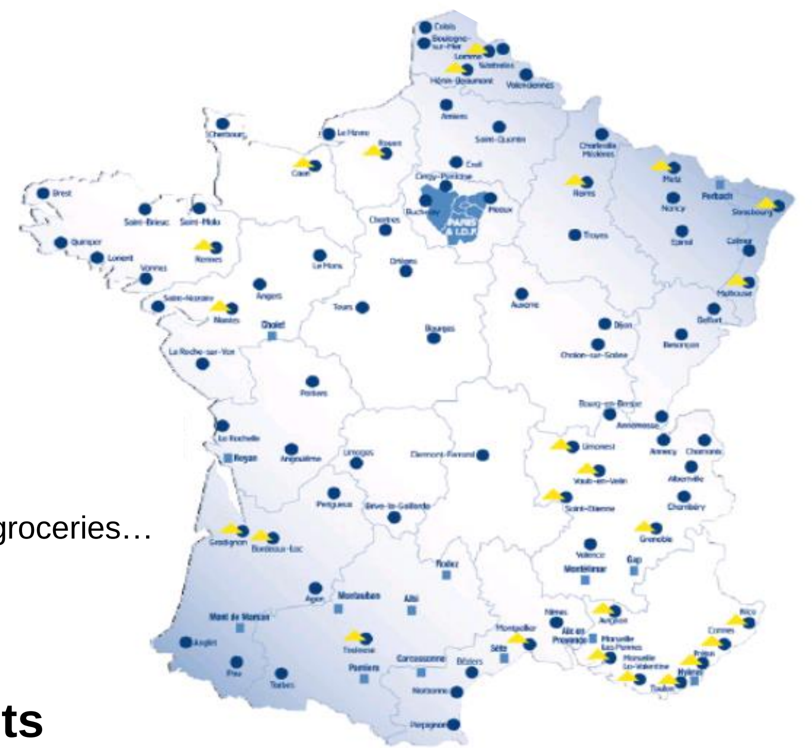
- 4 000 suppliers

- Clients: Coffee shops, hotels, restaurants, bakeries, butcheries, groceries…



Main Food clients

- Butchery
- Bakery
- Restaurant and catering services
- other retailer



- Stores METRO
- Stores METRO EQUIPMENT
- METRO DRIVE

PROMOCASH CASH&CARRY

THE BIGGEST INDEPENDENT DELIVERY NETWORK DEDICATED TO PROFESSIONNALS OF CATERING AND RESTAURANTS – BELONGS TO CARREFOUR

- 139 Promocash stores
- Same logistic as per Carrefour
- 7 000 to 12 000 skus from fresh products to professionnal equipment
- Clients: Professionnals of catering and restaurants, coffee shop, bar, fast food, grocery, other retailers…

Promocash private labels :

fresh product and grocery	wine, brewery	Other retailers

FOODSERVICE - CATERING

COMPASS GROUP

- Created in 1941 (H.O. England, UK)
- T.O 2012: €20,5 Billon (France = € 1,1billion)
- 3 activites:
  - MEDIREST: 500 hospitals
  - EUREST: Corporate catering – 1 000 restaurants & schools

SODEXO

- Created in 1966 in Marseille (H.O. France)
- T.O 2012: 18 Billon € (34% in Europe) - +13,6% of growth (2011-2012)
- 3 activities:
  - Catering « on-site services » : Corporate, Defense, Justice Services, Remote Sites, Sports&Leisure, Health Care, Seniors, Education
  - Benefits and Rewards Services : employee's benefits e.g. restaurant ticket, transport…; Incentive and recognition, Public benefits
  - Personal & Home Services : childcare, concierge services, homecare for dependant persons

ELIOR

- Created in 1991 (H.O. France)
- TO 2012: 4,5 Billion € (59,5% in France) - +7% of growth (2011-2012)
- 2 activities :
  - Catering & Services – 68,4% of the revenues (Corporate, Education and Health)
  - Concessions - 31,6% of the revenues (Airport, Motorway, City&Leisure)

OTHER DISTRIBUTION NETWORKS

PICARD

Specialized in premium frozen food : 1st Frozen retail group

- **Turnover France 2013: € 1.3 billion**
- 903 stores in France of which 40% in Paris area + 63 abroad
- 20% MS of the frozen market
- 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 (1,200 skus per store) : 2x more than in mainstream retailers
- Small but qualitative Dry Grocery range
- 9 frozen depots – 1 depot for grocery

→ **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 2012: € 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

- 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

cojean

Retailers are very demanding!

- Bring something new to the category
- Work out the best logistic route to minimize your costs and RSP
- Keep a close eye on your RSP when developing innovative products
- Relevant local legislation:
  - ✓ VAT on food = 5.5% for most of products
  - ✓ Obligation to recycle packaging: green dot (Eco Emballage)
  - ✓ Invoicing in Euros (€) – per unit
  - ✓ EDI is highly recommended
  - ✓ Quotes: delivered

Retailers are very demanding!

- For branded products :

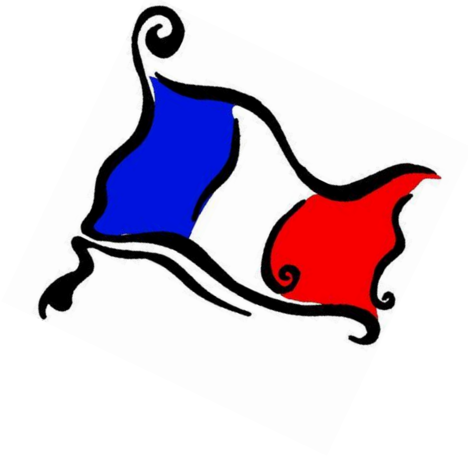
  - ✓ Be able to compete with existing brands : sales force is recommended, at least for the launch of the products + Mkt support budget is required (eg: in-stores tasting session, free samples …)
  - ✓ Develop specific CGV and Tariff for Retailers
  - ✓ Strong demand on Innovation

- For Private Label development:

  - ✓ Long listing process expected
  - ✓ Open book costing will be asked
  - ✓ Strong demand on : Quality (IFS, BRC…), Traceability

Distributors are very demanding!

- Be ready for fierce price negotiations with Retailers
- Be flexible and willing to adapt recipes and pack to the French Market
- Be ready for a long term investment : time / people / finance…



SWOT Analysis

green seed
International Food Expertise

Strengths

High potential : n°1 in the European Market for Grocery Retail market

Some very centralized and powerful retailers

Weaknesses

A difficult economic context

A complex market

Opportunities

Numerous distribution networks BtoB, BtoC, Food service …

Innovative products

Large volumes and long term contracts for Private label, for Fr and EU countries

Threats

Marketing entry costs for brands

Long and complex buying process for retail

Some of our clients experience…

green seed
International Food Expertise

Ronesca
NUTRITION FOR LIFE

MALHEUR

BLUE DIAMOND ALMONDS

ife the international food & drink event
17-20 March 2013 ExCeL London

SANDWICH & SNACK SHOW

PREMIER FOODS

PATROBA Family Bakers

Quorn

Svenska LantChips ORIGINALET

NOON

NATIONAL PRAWN COMPANY
The leaders in Desert Coastal Aquaculture

Bord Bia
Irish Food Board

DSM

eurosérum

DORMEN'S
Finest Quality Nuts

ICELANDIC
FRANCE SA

OLIVES from SPAIN

DESSERT FACTORY

a & S foods

POM WONDERFUL

SCOTTISH DEVELOPMENT INTERNATIONAL

Invest Northern Ireland
Building Locally
Competing Globally

signature HAMAL

mrs Crimble's

CAVALIER
BELGIAN CHOCOLATE

Materne

Indulgence

Food Export USA Northeast

dorset cereals
honest, tasty and real

MACKIE'S of Scotland

Tazaki foods ltd

Yutaka
GOOD FOOD MADE JAPAN-EASY

Wm SYMINGTON'S
FINE FOODS SINCE 1827

Sunstart Bakery

osec
Business Network Switzerland

Our Retail & Foodservice partners

green seed
International Food Expertise

Carrefour
Carrefour market
Carrefour planet
Carrefour city
Carrefour BIO
E.LECLERC
Auchan
SUPERMARCHÉ SIMPLY MARKET

GROUPE Casino E.M.C Distribution
cora
ALDI MARKT
INTERMARCHE Les Mousquetaires
picard
LIDL

MONOP'
MONOPRIX
U les nouveaux commerçants
BUFFALO GRILL®
FAUCHON PARIS
Lafayette GOURMET

AIRFRANCE
bert's café contemporain
biocoop
GROUPE BERTRAND
Jour salade sur mesure
LA GRANDE EPICERIE PARIS
NATURALIA

Green Seed France
Case studies

- Blue Diamond
- Dormen Food
- Indulgence Patisserie
- Sunstart Bakery
- Linwwods
- Svenska LantChips
- Olives from Spain

Blue Diamond Growers *since 2011*

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.

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. Then Green Seed France contacted the Retailers to list Blue Diamond’s products

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 in July 2012 and CARREFOUR stores (national listing in HM & SM),
- The Green Seed team is in contact with other retailers to continue developing Blue Diamond’s business in France.

MARKET ENTRY SUPPORT – KEY ACCOUNT MANAGEMENT RETAIL

www.bluediamond.com

Dormen Food *since 2007*

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.

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.

Results

- The Dormen's products are listed at:
  - ✓ 50 Luxury Hôtels ***** and Palaces in France and Switzerland
  - ✓ Fauchon – Luxury Food hall (since 2010)
  - ✓ Albert Mènes – PL of a Luxury food brand (since 2009)
  - ✓ Picard Surgelés – frozen luxury food chain (since 2011)
  - ✓ Air France, 1st Class (since 2008)

SALES MANAGEMENT IN HIGH QUALITY DISTRIBUTION NETWORKS

www.thedormenfoodcompany.com

Indulgence Patisserie *since 2009*

Objectives

- English dessert 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.

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.

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 2012, a new tender was issued and Indulgence Patisserie has been retained for the second time.
- In 2013, Indulgence Cheesecake has been selected by SALES-SUCRES Group, a Distributor specialized in frozen food. With a range of 300 products, SALES-SUCRES Group delivers more than 3 000 Restaurants, and Hotel chains.
- In August 2013, Green Seed won a tender for Auchan Retailer, The frozen cheesecake will be launch nationally at Auchan Hypermarkets (120 stores) and Auchan Simply Supermarkets (320 stores).

SALES MANAGEMENT IN FOOD SERVICE SECTOR + RETAILER OWN LABEL

http://www.indulgence.co.uk

Sunstart Bakery *since 2007*

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.

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.

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 (2010), Italy (2011), Greece (2012) and Spain (2013)

KEY ACCOUNT MANAGEMENT IN RETAIL FOR PRIVATE LABEL PRODUCTS

www.sunstarteurope.com/

Svenska LantChips *since 2012*

Objectives

- Created in 1992, Svenska LantChips is a Swedish family-owned company specializing in the manufacture of organic potato chips. For several years, LantChips have wanted to enter the French market. LantChips approached Green Seed France to help introduce their products into retail.

Green Seed France's Response

- Green Seed France conducted an initial market opportunity assessment of the potato chip market: analysis of trends and innovations, the different segment potential, distribution channels, competition and price level.
- Green Seed France then contacted Carrefour to present LantChips products and negotiate the different national listings on behalf of LantChips

Results

- LantChips now has a clear vision of the French organic potato chips market, its competition and opportunities at Carrefour France.
- 5 of LantChips' organic potato chips skus have been listed in Carrefour Planet stores.
- Green Seed France advises LantChips on how to continue developing their brand in the French market.

MARKET ENTRY SUPPORT – KEY ACCOUNT MANAGEMENT RETAIL BRANDED PRODUCTS

Linwoods *since 2013*

Objectives

- Based in Northern Ireland, Linwoods is a family company specialized in Healthy Super Food products.
- Early 2013, Linwoods contacted Green Seed France as they were looking for new export businesses and the French market was targeted by Linwoods as a top priority in the EU.

Green Seed France's Response

- Green Seed France conducted an initial market opportunity assessment of superfood/ healthy products segments, including market data, trends, innovations, level of price, margin, competition and distribution landscape …
- Then GSF made a full recommendation of best packs, products, ranges, Retail Price and best distributors to enter the market.
- GSF helped Linwoods to translate and adapt the packs to the French consumer as well as a complete review to be fully compliant with the French and EU law.
- Green Seed France contacted the Top 3 health food chain stores in France with a complete brand proposal adapted to the French distributors' expectations and arranged meetings with them and Linwoods' personnel

Results

- Linwoods now has a clear vision of the French health / superfood market and possible opportunities
- 3 of Linwoods' skus are about to be launched (July 2014) nationally in 77 Naturalia stores
- Green Seed France advises Linwoods on how to continue developing their brand in the French market.

MARKET ENTRY SUPPORT – KEY ACCOUNT MANAGEMENT HEALTH FOOD STORES

www.linwoods.co.uk

The Olives from Spain *since 2009*

Objectives

- Olives from Spain is the Cooperative of Spanish olives growers. Since 2009, the cooperative engaged Gree 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 im press groups + press kit with his recipes
- Web activity: Creation of the website and brand content (newsletters, goodies, microblog, prize draw pages, press room…)
- Community management on social networks: regular status updates, news, pictures, links and recipes posted on both Facebook and Twitter.

Results

- Over 100 press cuttings / year since 2010
- Yearly growth of + 20% of the website traffic + over 19 000 fans on Facebook (Dec 2013)
- 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

WEB MARKETING – COMMUNITY MANAGEMENT - PR

www.mixnolives.com

THANK YOU !

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