

EMP FY09 ATO Beijing Children's Nutrition US Food Seminar

A proposal submitted to the Central Fund of the USDA's Emerging Markets Program

On behalf of FAS Beijing

By

ATO Beijing

LaVerne E. Brabant

Director

Agricultural Trade Office

US Embassy Beijing

Tel: (86-10) 8529-6418 Fax: (86-10) 8529-6692

Date: August 15, 2008

Target Markets: This project focuses on Beijing's local educational organizations – kindergartens and elementary schools.

Proposal: To conduct a series of nutritional seminars featuring US food and agricultural products in cooperation with local educational organizations to include kindergartens, elementary schools and educational institutes. The program would also include kindergarten and elementary educators to visit the US to better understand through first-person experience the production, processing, and distribution process of high quality and safety US food products. Beijing based seminars would invite distinguished local nutritionists to deliver presentations featuring a diverse variety of US products including nutritional values and health benefits relative to a regular diet for children.

Due to the China's one child policy, the focus was on kids who are key drivers of family food consumption. Post is optimistic about the potential and significant long term market opportunities for US suppliers of healthy-nutritious food products in this virtually untapped market segment. ATO Beijing would partner with local educational organizations in conducting a series of nutritional seminars for young Chinese parents with school age children aged 1-12 featuring diverse varieties of US food products.

Current Situation: Given current demographics in China, driven in large part by the one child policy, clearly put the focus on kids who are key drivers of family food consumption. China has approximately 300 million children with an average cost of raising a child to 18 years of age in Shanghai, for example,

an estimated RMB 490,000 (\$70,000). The cost of food is a significant proportion of the cost of living in China at about 36% and rising. The baby food market in Beijing alone is estimated at approximately RMB 500 million (\$73.4 million) annually. Post is optimistic about the potential to educate and realize significant market opportunities for US suppliers of healthy and nutritional food products in this virtually untapped and strategic market segment.

- Constraints:
1. Lack of the awareness of nutrition values-benefits of American food products.
 2. Lack of credible information available to Chinese consumers (parents of school aged children) about the benefits of American food and agricultural products.
 3. Existing myths (erroneous perceptions) about appropriate diets for academic as well as physical success.

- Opportunities:
1. Increased awareness of nutrition values-benefits of American food products.
 2. Based on high quality and food safety standards, US food products possess unique characteristics in capturing a large share of a huge-growing school food market segment.
 3. In large part due to China's one child policy, increased living standards and income children are the primary drivers of family food consumption which created the potential for opportunities beyond student children.

Project

Objectives: The activity features the introduction of health and nutritional US food product information with primary focus on kids who are the key drivers of family food consumption.

- Rationale:
- To start a long-term market education program to educate and increase awareness of American food products as part of a regular and healthy diet targeted at parents.
 - To reinforce US products high quality and safety standards via nutritionists' presentations, nutritional booklets distribution and US visits.
 - To help more US manufactures and suppliers explore untapped and to date ignored market segments.

Description
Of Activity:

Funding is requested only for the first year of a one year project. However, ATO Beijing plans to possibly submit future follow-up proposals. We envision a two year commitment to children's nutrition seminars based on positive evaluation and results after the first year (phase).

1. Partner with local educational organizations (kindergartens, elementary schools, etc.) to design-conduct a series of nutritional seminars targeted at young parents to introduce US product nutritional values and health benefits relative to appropriate regular diets for children.
2. Coordinate with renowned local expert nutritionists to develop nutrition booklets featuring US products.
3. Visit select growing – packing facilities to understand production, processing and distribution processes of high quality and safety standards for US products.
4. Visit USDA/FDA multipliers for science based educational exposure to U.S. food consumption food safety systems and food nutrition programs.

Concrete Results from Past Activities:

ATO Beijing organized a highly successful nutritional seminar featuring US food in cooperation with the Star Educational center in Beijing June 7, 2008 funded via post CSSF. The activity directed at the pre-school children or more appropriately their parents featured an expert nutritionist from the Beijing Agricultural University. A nutritional booklet in Chinese developed for the event described proper diet, nutritional and sponsor product information. Given results is far exceeded than post expectations. Based on the feedback received to date, both the educational center and participating parents have asked when the next seminar will held as they would like to attend as well as bring friends and in some cases their parents (grandparents). In fact, we have had some requests for additional brochures as well as questions about practicing good nutrition by parents. In addition some young parents from the school have asked by their children to purchase Sunkist and California Raisins after sampling them at the event as part of participant sampling-gift bags, etc. Some kids recognized the California Raisin logo and asked for the California product as opposed to local product at the supermarket. Thus, perceptual consumption (a child's purchase stimulated by their peers). If we can communicate the high-quality, safety and health benefits of American Food and Agricultural products to Chinese children at an early age we may be able to influence not only them but the whole family as well as future generations.

Time & Cost:

Time: October 1, 2008 – September 30, 2009

Total Cost: Approximately \$65,000 in developing and conducting nutritional seminars, inviting expert nutritionists, printing nutritional booklets, organizing educators visit to the US. Cost of each participant including international airfare, domestic transportation, training and accommodation, lodging and MI&E, will be covered under EMP.