<u>Example of how to determine your Schedule B Number</u>

If you were an exporter, or interested in exporting bakery goods, such as breads, muffins and brownies, which are not shipped frozen you would begin your analysis as follows:

HS Number 190590: "Bread, Pastry, Cakes, Etc., Nesoi, & Puddings"

Note: "Nesoi" (pronounced "Nesoy") means "Not elsewhere specified or included" which is often a default category for products that do not have their own HS (six-digit) and Schedule B (10-digit number). Cookies for example, although also a baked good, have its own HS number 190531 and its own Schedule B number, 1905310000. This means it has been elsewhere specified and included.

The products listed at the international level, HS, of 190530 are as follows:

Biscuits	Bread	Brownies	Cakes	Corn Chips	Corn Sticks
Crackers	Crepes	Fruit pies	Fruit tarts	Matzos	Pancakes
Pastries	Pies	Pizza	Pretzels	Quiche	Ry-Krisp
Snack Foods	Taco Chips				

All of these products are consolidated under on HS number at six-digits, 190590. It also includes all snack foods that are "savory" and not sweet, as well as extruded snack products. At the international level of 6 digits, it includes both frozen and unfrozen products, which are separated when it is sorted into the 10-digit Schedule B extension.

<u>Using your Schedule B Number with BICO Reports to Conduct Research</u>

To access the BICO reports, go to
www.fas.usda.gov/scriptsw/bico/bico_frm.asp
Using our examples of breads, biscuits and similar baked products, if you click on "snack foods" in the commodity selection, you will see all of the products listed under that category including 1905901080, the Schedule B number we have been using. If you click on that number it will take you to the search engine, which is a drop down key on the upper right hand side. Choose "HS 10-Digits" and the search engine will open allowing you to separate the product by country, region and date options.

<u>**Statistical Analysis Sample Report**</u>

The reports can actually go back 10 calendar years if required, but is usually sorted by the following:

<u>Year-to-Year Comparison: For example 2007 exports compared to 2006</u>

In 2007, exports of breads, biscuits and similar baked products were $198.6 million dollars, and 83.8 million kilos, or 185 million pounds. This shows an increase in value of $173.4 million dollars and a weight 81.1 million kilos or 178.7 million pounds in 2006.

<u>Year to Date Comparison: For example January 2008 compared to January 2005</u>

Exports of bread, biscuits and similar baked products during the period of January 2008 were $18.7 million and 8.1million kilos, up from exports of $8.7 million and 5.5 million kilos during the same period in 2005. This represents an increase of 115% in value and 46% in weight.

<u>Month-by-Month: For example exports from January 2008 and December 2007</u>

Exports of breads, biscuits and similar baked products were $18.7million in January 2008 an increase from $16.5million in December 2007, an increase of 13.3%

<u>By Customs Port at six digits:For example exports from Boston, Chicago or Philadelphia</u>

Of the total 2007 exports of HS code 190590 $797.8 million, $248.6 million dollars, or 31% of bread, pastry, cakes, biscuits and similar baked products were exported from the port of Detroit Michigan. (This would make sense as the #1 market for exports of these products is to Canada).

<u>By Schedule B Number: For example, 2007 exports under 1905901080 sorted by the “Top 25” market analysis.</u>

The #1 market for bread, biscuits and similar baked products in 2007 was Canada, who imported $165.8 million, which represents an 83% market share. Here is an overview of the top 10 countries for these products.

2007	Exports:	$198.6 million	2006 Exports: $173.4 million
#1	Canada	$165.8 million	2006 exports = $141.3million
#2	Mexico -	$9.5 million	2006 exports = $9.7 million

#3	Singapore -	$2.0 million	2006 exports = $ 1.6 million
#4	Japan -	$ 1.9 million	2006 exports = $ 1.3 million
#5	N. Antilles -	$ 1.7 million	2006 exports = $ 1.1 million
# 6	U.K. -	$ 1.6 million	2006 exports = $1.8 million
#7	Australia -	$ 1.4 million	2006 exports = $ 1.1 million
#8	Dominican - Republic	$ 1.3 million	2006 exports = $ 467k
#9	S. Korea	$1.1 million	2006 exports = $ 2.4 million
# 10	Taiwan	$911 thousand	2006 exports = $ 733k

The following is a highlight from a recent Exporter Guide published on the Philippines.

The Philippines is a robust, dynamic, and growing market for imported foods and beverages with total imports of consumer-oriented, high-value products exceeding $1 billion annually. In 2007, U.S. agricultural exports to the Philippines reached a record high of $1.1 billion representing an increase of 25 percent over the previous year. It is the 13th largest market for U.S. exports of consumer-oriented agricultural products and is the largest market in Southeast Asia, with sales of $380.5 million representing a 40 percent growth over 2006. The United States is the top food and beverage supplier to the Philippines. Good sales opportunities exist due to Philippine consumer familiarity with American brands, steady growth in large-scale modern supermarkets, and an expanding economy. U.S. exports of consumer-oriented products remain comparatively strong and are the best prospects for future growth. Other major exports include breakfast items, meat & poultry, dried fruits & nuts, wine, pet food, fruit & vegetable juices, and fresh produce.

The following is a highlight from a retail food sector report published in Costa Rica.

The Costa Rican retail food sector is expected to grow at a rate of 20% a year. Total food imports in 2006 reached $924 million. With over 320 supermarkets, 13,000 traditional markets, and expansion expected in the gas mart/convenience store sector, the sector continues to seek and want U.S. products -- although competitor countries are both aggressive, and expanding in all food categories. The 25+ retail food executives interviewed for this report clamored for U.S. private label products, novelty food and beverage items, and more canned products. They seek to continue and expand their relationships with U.S. exporters whom they hope will show a greater interest in making and packaging food products appropriate for the tropics.

The following is a highlight from a recent HRI report published from the ATO in Argentina.

The US$7.5 billion Argentine HRI sector continues to rely heavily on local goods, with only 5 percent of the HRI sector supplied by imports. The market shows potential for growth of imports, as a devalued peso has fueled a 9 percent growth in tourism and a boom in hotel construction. Other growing markets are in private institutional catering, as many private firms are outsourcing their in-house catering needs. American products are associated with quality, consistency and diversity. American exporters focusing on the HRI sector are advised to incorporate the crossover benefits of developing an integrated plan involving both the HRI and retail sectors.

The following is a highlight from a recently published product brief from Poland.

Poland offers U.S. pet food producers a growing market particularly for high-quality specialty pet foods. The pet food market grew over 8 percent in 2005 to about $250 million in sales and is expected to grow at least 9 percent annually through 2009. In addition, imports for inputs to the pet food processing sector are booming, growing 70 percent in 2006. Exports of U.S. raw material to the Polish pet food industry tripled to $7.6 million in 2006, which is an import market share of over 50 percent.

The following is a highlight from a recent kosher food market report from France.

The European kosher market is currently estimated to be valued at $6 billion. France is a major market currently estimated at $549 million and an international trading center for kosher products. Both imported and domestic products are distributed not only in specialized retail and kosher stores, but also in kosher sections of the largest supermarkets in France and across Europe. Many French consumers consider kosher food products to be healthy, of high quality, natural, and good tasting. Best prospects for kosher foods are gourmet-style products including wines, matzos, sauces, snacks, soups, crackers, confectionery and vegetarian dishes.

The following is a highlight from a recent food processing and ingredients sector report published on China.

Rapid growth continues in China's food processing industry, although it is labor rather than technology intensive. Annual revenue from the industry rose 17% to US$ 248 billion in 2005, the last available full year data. Strong economic growth and rapid urbanization have contributed to higher disposable incomes and increased demand from Chinese consumers for high quality processed foods at home and in restaurants. China is also becoming a profitable base for export oriented food processing. Double-digit growth also means increased demand for certain high quality U.S. ingredients, including soybeans, poultry products, seafood, fruit and nuts, high value dairy products and baking ingredients

The following is a highlight from a recent FAIRS report from Guatemala.

Sections Updated: I. Food Laws. Food laws, norms and regulations are now available on-line; the website link is included. II. Labeling Requirements. Allergens must be declared. Product of origin declaration is now required in order to benefit from CAFTA-DR preferences. III. Packaging and Container Requirements. Specifications provided for printing of expiration date. IV. Food Additives Regulations. Generic and specific names must be included in the ingredient list. Sulfite is considered both additive and allergen. IX. Import Procedures. CAFTA-DR 2007 tariff-rate quotas are provided as well as TRQ assignment and use per year web link.

The following is a highlight from a recent FAIRS product specific report from the United Arab Emirates.

The Government of the United Arab Emirates (UAE) has announced that effective April 25, 2008 all pre-packaged food products must have an Arabic label. The UAE, especially the Emirate of Dubai, has overlooked this requirement in the past. However, a recently approved Gulf Cooperation Council (GCC) standard and a new UAE consumer protection law are providing the impetus for regulators to require Arabic labeling on certain food products. A number of details concerning the implementation of the standard will have to be clarified by regulators over the next few weeks. Exporters should work closely with their importers to avoid trade disruptions.

The following is a highlight of promotional opportunities being offered in South Africa.

This report provide details of upcoming 2008 trade events in Southern Africa, and other marketing opportunities and events USDA FAS/AgPretoria is planning on organizing in support of U.S. companies who are interested in entering or increasing sales within the Southern Africa market. Post believes that, in addition to South Africa, Angola shows the greatest opportunity for growth for U.S. Agricultural exports out of the ten countries that AgPretoria cover in Southern Africa. In 2006, the United States exported approximately $170 million of agricultural, fish and forestry products to South Africa. Intermediate agricultural products such as planting seeds are an important export to South Africa. A variety of high-value products such as almonds, cultivated ginseng root canned salmon, Kentucky bourbon, frozen food preparations, and sauces have shown consistent growth over the last five years and represent important opportunities for U.S. exporters.