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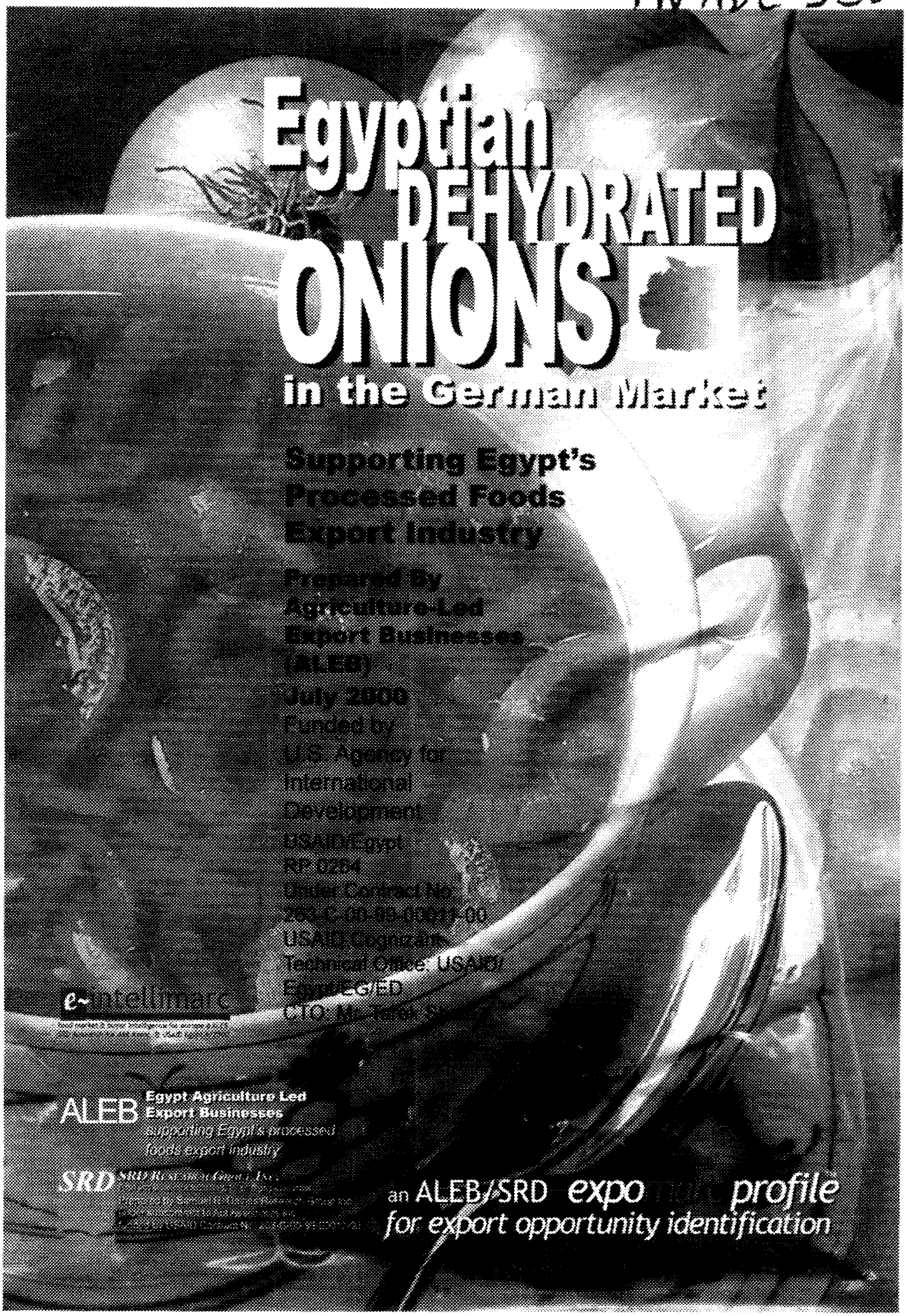

Egyptian DEHYDRATED ONIONS in the German Market

Supporting Egypt's Processed Foods Export Industry

Prepared By Agriculture-Led Export Businesses (ALEB)

July 2000

Funded by
U.S. Agency for International Development
USAID/Egypt
RP 0284
Under Contract No:
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USAID Cognizant
Technical Office: USAID/Egypt/EG/ED
CTO: Mr. Tarek Sh[illegible]

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ALEB Egypt Agriculture Led Export Businesses
supporting Egypt's processed foods export industry

SRD SRD Research Group, Inc.

an ALEB/SRD *expo* [illegible] *profile*
for export opportunity identification

Egyptian DEHYDRATED ONIONS in the German Market

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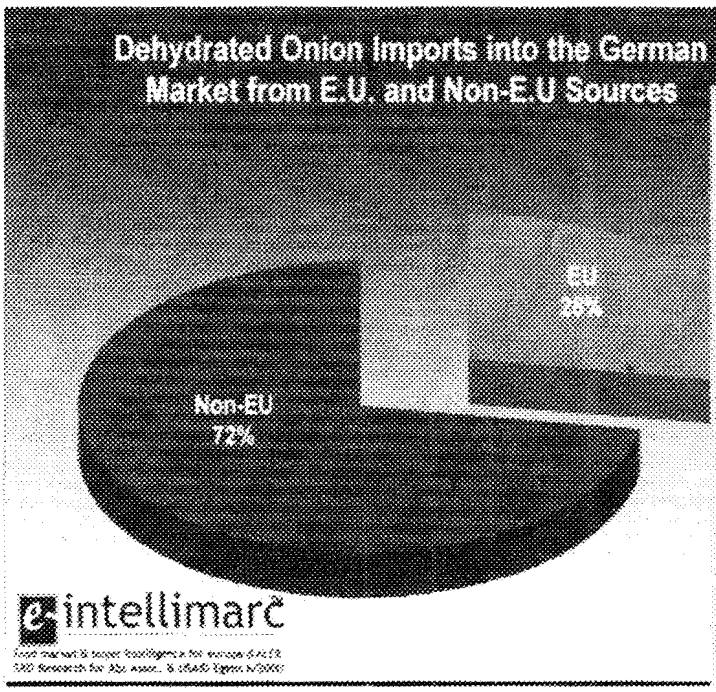
Imported Dehydrated Onions in the German Market

1. Export Opportunity Identification

a. Size of the German Import Market for Dehyrated Onions by Source

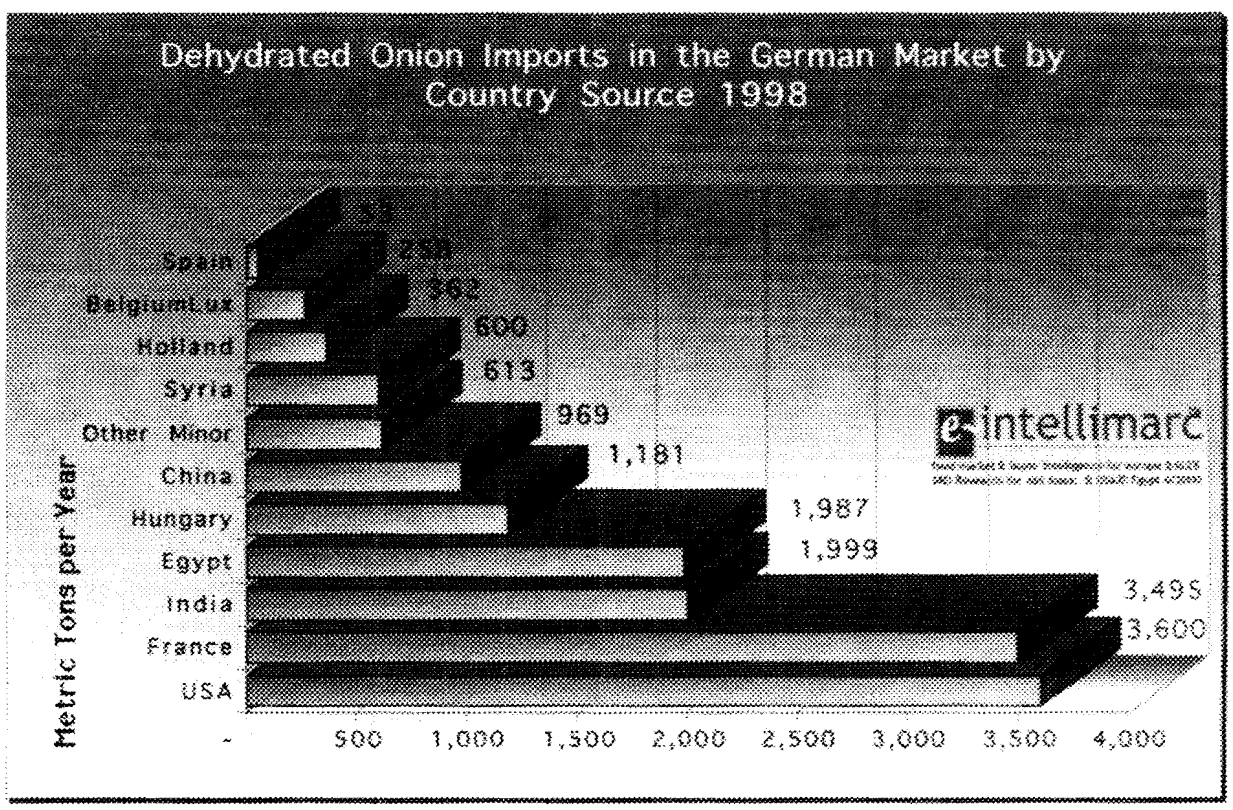
The tables and charts on this page measure the metric tons of imported product received from each supplying country during 1998 and the percentage share each has in the German import market. These tables and charts assist in identifying the size and competitive structure of the German dehydrated onion export opportunity.



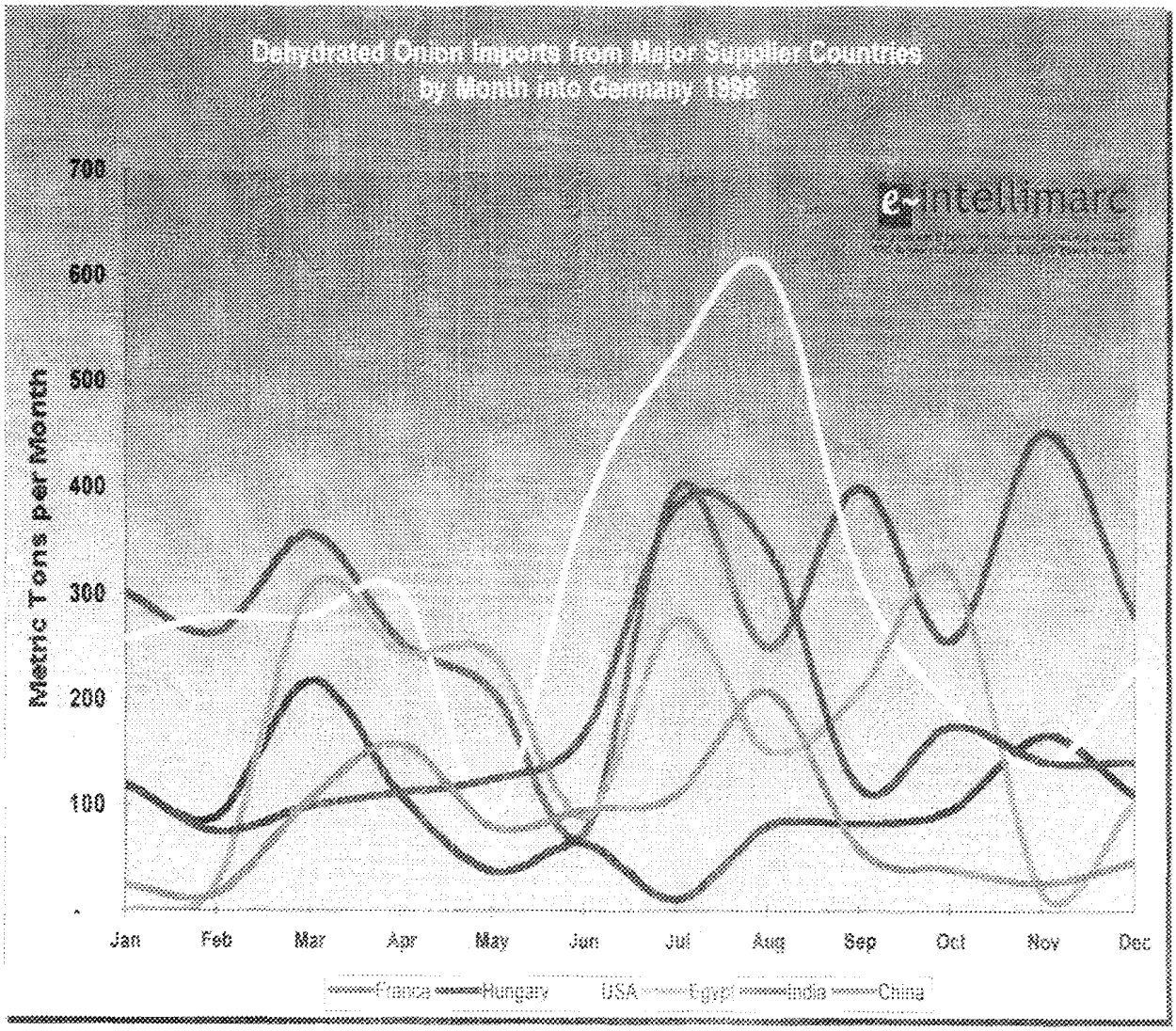
EU and Non-EU Dehydrated Onion Imports into Germany 1998 by Country

	Metric Tons	% Import Market Share
France	3,495	23.1%
BelgiumLux	258	1.7%
Holland	362	2.4%
Spain	53	0.4%
EU	4,167	27.6%
Hungary	1,181	7.8%
USA	3,600	23.8%
Egypt	1,987	13.1%
India	1,999	13.2%
China	969	6.4%
Syria	600	4.0%
Other Minor	613	4.1%
Non-EU	*10,949*	72.4%
TOTAL	15,116	100.0%

b. Import Market Share by Competitive Supplier Country



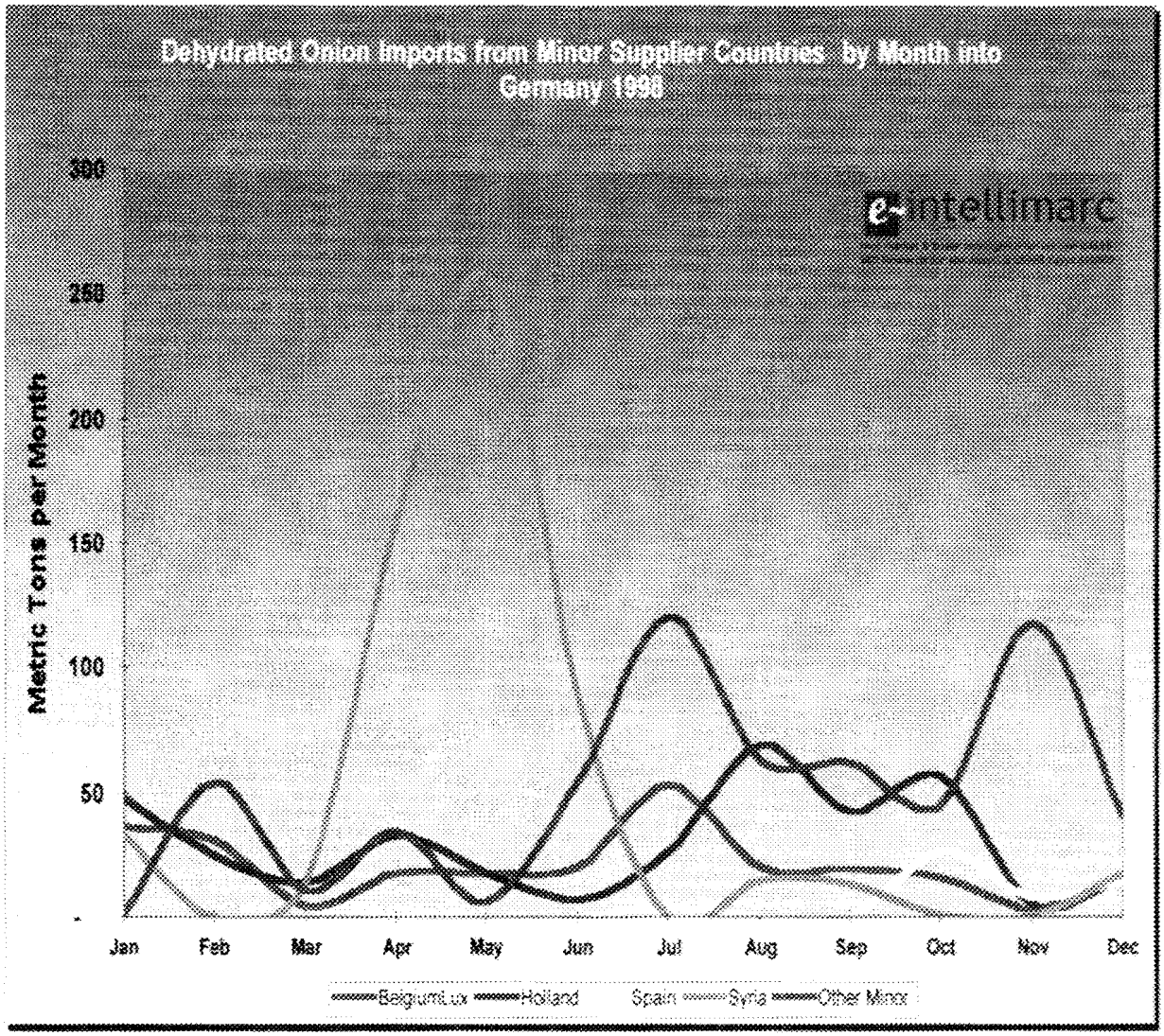
2. Monthly Import Quantities by Supplier Country



The graphs and tables on this page measure the monthly quantity, in metric tons, of dehydrated onions imported into Germany from each of the indicated supplier countries during 1998. With these charts and tables it is possible to compare the seasonality of import supplies from major and minor suppliers with seasonal supply possibilities from Egypt to identify seasonal opportunities and the seasons of supply by competitor countries.

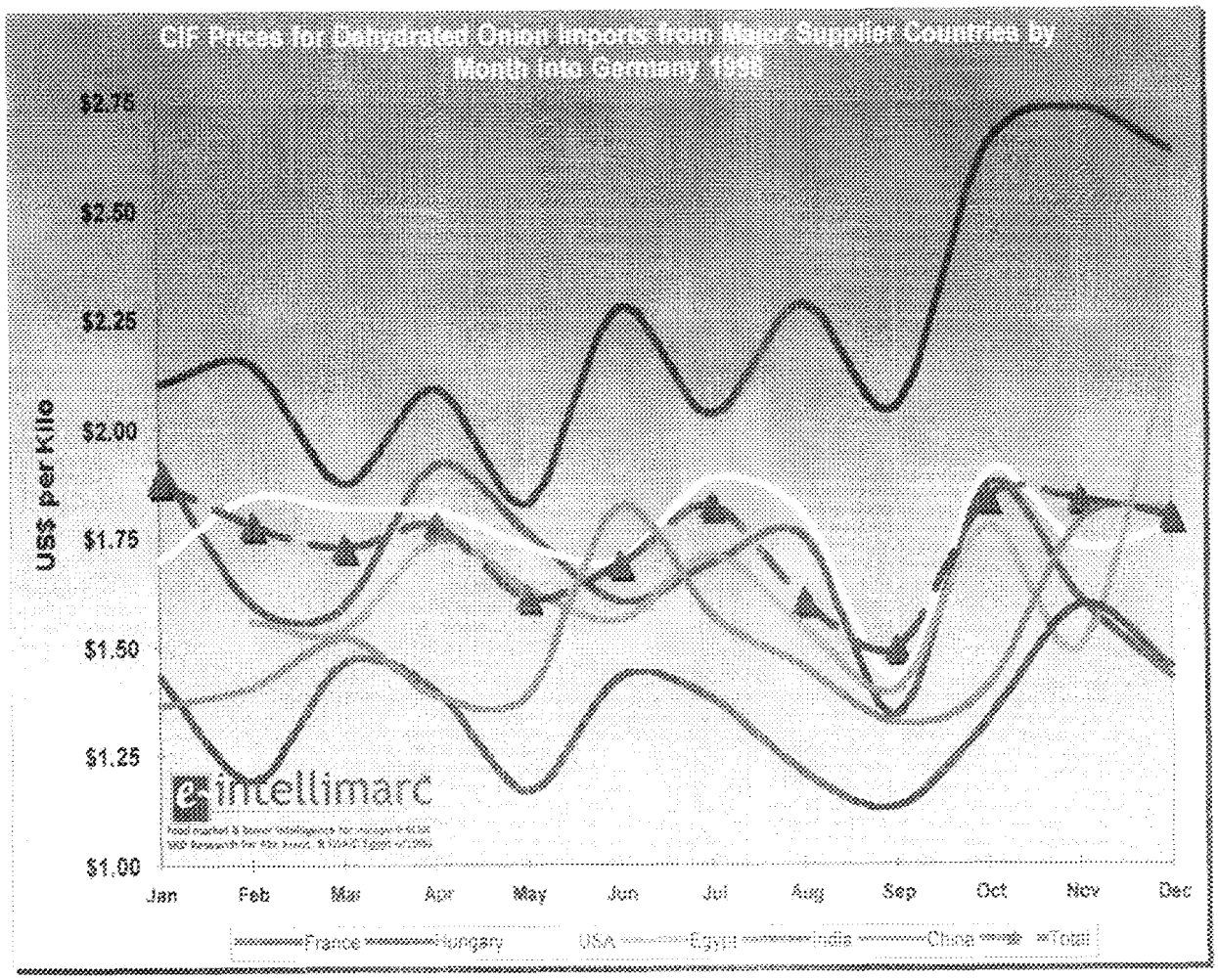
Dehydrated Onion Imports by Month from Major Supplier Countries in Germany 1998
(Metric Tons per Month)

Metric Tons	France	Hungary	USA	Egypt	India	China	Total Imports
Jan	300	119	257	-	121	26	942
Feb	264	89	278	27	75	16	858
Mar	358	217	278	305	100	106	1,409
Apr	254	108	301	245	112	153	1,423
May	207	38	92	243	125	79	1,083
Jun	73	64	380	93	167	96	1,040
Jul	400	10	527	276	384	110	1,913
Aug	249	60	607	152	343	207	1,805
Sep	401	83	316	209	117	58	1,321
Oct	256	36	196	322	174	39	1,229
Nov	452	166	138	17	141	27	1,076
Dec	280	110	229	102	141	48	1,016
Total	3,495	1,181	3,600	1,987	1,999	969	15,116



Dehydrated Onion Imports by Month from Minor Supplier Countries with EU and Non-EU Source Totals into Germany 1998 (Metric Tons per Month)						European Union and Non-EU Souce Import Totals		All Sources
	BelgiumLux	Holland	Spain	Syria	Other Minor	EU Total	NonEU Total	
Jan	37	48	-	33	2	385	557	942
Feb	31	25	-	-	55	320	538	858
Mar	5	14	-	16	11	377	1,032	1,409
Apr	18	33	-	160	35	305	1,118	1,423
May	18	18	-	258	6	243	840	1,083
Jun	20	7	-	88	55	100	940	1,040
Jul	53	27	5	-	121	485	1,428	1,913
Aug	21	69	-	15	63	338	1,467	1,805
Sep	19	42	-	13	62	463	858	1,321
Oct	16	57	26	1	46	355	874	1,229
Nov	4	5	8	1	118	469	607	1,076
Dec	16	16	14	18	41	328	690	1,018
Total	258	362	53	600	613	4,167	10,949	15,116

3. CIF Import Prices by Month and Competitor Country.



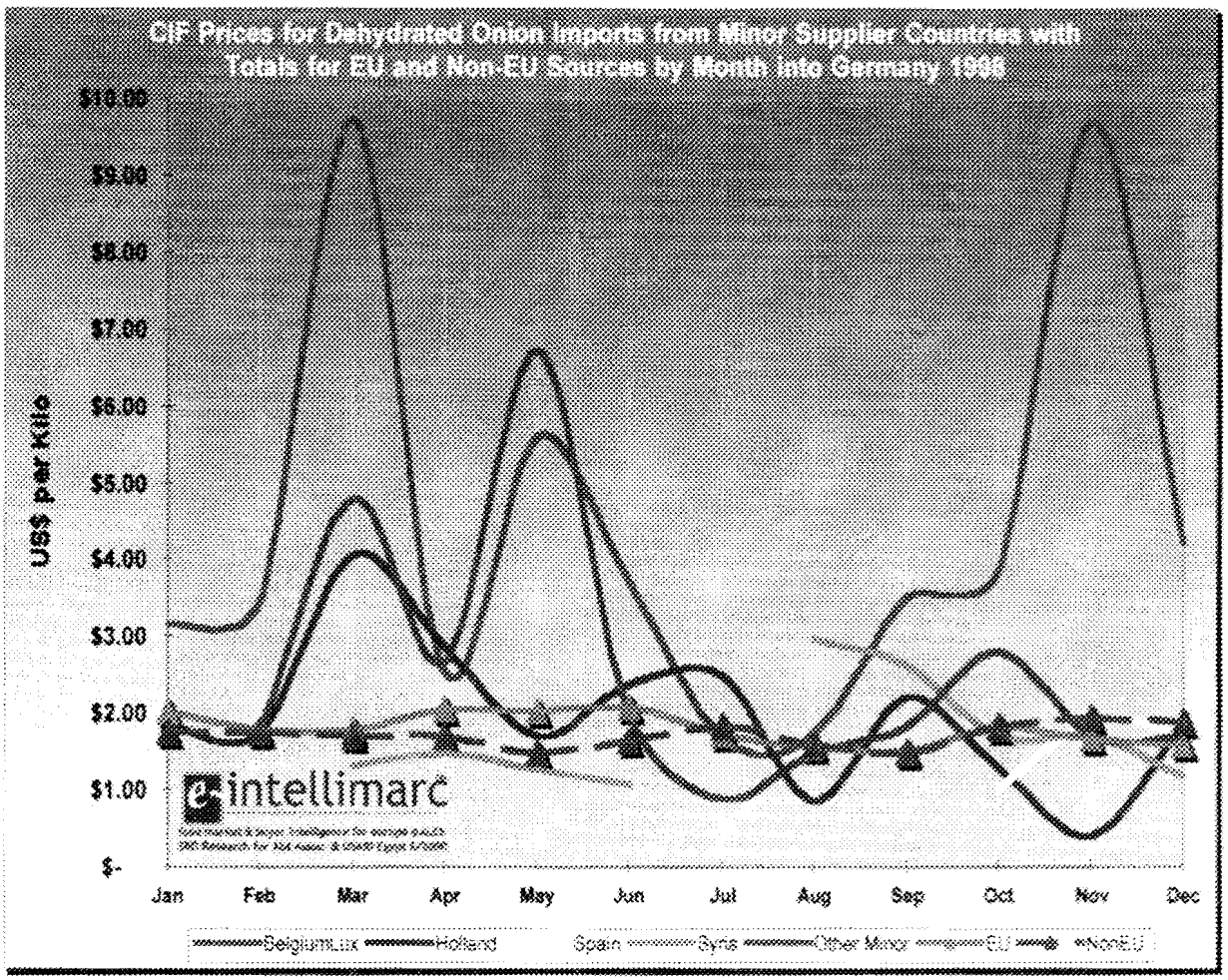
The tables and graphs on this page and the opposite page present the monthly average CIF (domestic cost of goods, transport insurance and freight) price received by each of the EU (this page) and Non-EU (opposite page) supplying countries of imported dehydrated onions into Germany in 1998.

These figures and graphs can be useful indicators of the viability and profitability of exporting from Egypt during different seasons of the year.

By comparing these CIF prices with the estimated product, packing, packaging costs,

CIF Prices for Dehydrated Onion Imports by Month from Major Supplier Countries in Germany 1998 (US$/Kg.)

rice US$/Kg.	France	Hungary	USA	Egypt	India	China	Total
Jan	$ 1.93	$ 2.10	$ 1.70		$ 1.43	$ 1.37	$ 1.88
Feb	$ 1.60	$ 2.15	$ 1.85	$ 1.56	$ 1.20	$ 1.41	$ 1.78
Mar	$ 1.60	$ 1.88	$ 1.82	$ 1.54	$ 1.47	$ 1.53	$ 1.73
Apr	$ 1.92	$ 2.09	$ 1.81	$ 1.75	$ 1.40	$ 1.59	$ 1.78
May	$ 1.76	$ 1.83	$ 1.73	$ 1.62	$ 1.17	$ 1.40	$ 1.61
Jun	$ 1.60	$ 2.28	$ 1.70	$ 1.56	$ 1.43	$ 1.62	$ 1.69
Jul	$ 1.69	$ 2.03	$ 1.88	$ 1.71	$ 1.38	$ 1.57	$ 1.82
Aug	$ 1.75	$ 2.28	$ 1.80	$ 1.54	$ 1.21	$ 1.45	$ 1.60
Sep	$ 1.34	$ 2.05	$ 1.43	$ 1.40	$ 1.13	$ 1.33	$ 1.49
Oct	$ 1.87	$ 2.64	$ 1.90	$ 1.75	$ 1.33	$ 1.41	$ 1.84
Nov	$ 1.61	$ 2.73	$ 1.73	$ 1.50	$ 1.60	$ 1.79	$ 1.83
Dec	$ 1.43	$ 2.63	$ 1.78	$ 2.15	$ 1.45	$ 1.81	$ 1.79
Average	$ 1.68	$ 2.10	$ 1.76	$ 1.65	$ 1.35	$ 1.61	$ 1.74



insurance and freight to Germany from Egypt, it is possible to make preliminary rough estimates of potential profitability. By making this comparison with specific competitor countries it is possible to make preliminary estimates of competitive viability against specific supplier countries in specific seasons. Comparison of a processor's estimated "breakeven" CIF price in Germany with these averages can provide a useful preliminary screening criterion of export viability.

CIF Prices for Dehydrated Onion Imports by Month from Minor Supplier Countries with Totals for EU and Non-EU Sources into Germany 1998 (US$/Kg.)

	BelgiumLux	Holland	Spain	Syria	Other Minor	EU	NonEU
Jan	$ 3.16	$ 1.85		$ 1.80		$ 2.04	$ 1.77
Feb	$ 3.46	$ 1.77			$ 1.79	$ 1.79	$ 1.77
Mar	$ 9.73	$ 4.05		$ 1.33	$ 4.80	$ 1.78	$ 1.71
Apr	$ 2.55	$ 2.88		$ 1.48	$ 2.67	$ 2.06	$ 1.70
May	$ 5.60	$ 1.71		$ 1.27	$ 6.72	$ 2.04	$ 1.49
Jun	$ 3.70	$ 2.38		$ 1.08	$ 1.98	$ 2.08	$ 1.65
Jul	$ 1.67	$ 2.49	$ 1.78		$ 0.89	$ 1.73	$ 1.85
Aug	$ 1.74	$ 0.87		$ 2.97	$ 1.50	$ 1.57	$ 1.61
Sep	$ 3.53	$ 2.21		$ 2.64	$ 1.85	$ 1.51	$ 1.48
Oct	$ 3.89	$ 1.31	$ 1.02	$ 1.72	$ 2.82	$ 1.81	$ 1.85
Nov	$ 9.71	$ 0.42	$ 1.93	$ 1.70	$ 1.70	$ 1.67	$ 1.96
Dec	$ 4.22	$ 1.88	$ 1.77	$ 1.19	$ 1.72	$ 1.60	$ 1.89
Average	$ 4.41	$ 1.98	$ 1.62	$ 1.72	$ 1.87	$ 1.77	$ 1.72

4. Distribution Channels and Estimated Distributor Acquisition Contract Prices

The table to the right estimates the percentage of food which is sold through the five different types of retail stores in Germany. The list of stores below includes the ones, highlighted in red, which have been selected for profiles and briefs in the following sections.

Over the last 20 years, more and more processed food products are purchased directly from processors by supermarkets and other types of retail chain stores. The role of wholesalers and brokers has been steadily declining. Although the quality and quantity requirements of the chains makes them challenging as entry points for new exporters, its is important for the longer run to begin planning for direct sale arrangements to the chains.

Even if a broker, wholesaler, or processor is the Egyptian exporter's entry point into the market, it is still important for that exporter to understand the pricing structure and product specifications of the chains in order to negotiate a profitable wholesaler deal.

The graph on the right estimates the average price during the whole year of 1998 which the five profiled types of retail chains in Germany paid for an average kilo of dehydrated onions.

Hypermarkets

Owner Group	*Facias*	
Metro Group *(Asko, SB-Kauf Deutsche, MHB)*	Massa Basar Huma/Suma	'real-' Meister Primus
Tengelmann	Gross Magnet Magnet Markte	Kaiser
AVA	Marktkauf	
Lidl & Schwarz	Kauffland	Concord
Allkauf	Allkauf	
Globus	Globus	
Wertkauf	Wertkauf	
Rewe & Co.	Toom	
Promohypermarkt	Continent	Plaza

Discounters

Lidl & Schwarz	Lidl	
Tengelmann	Plus	LeDi
Spar Handels	Netto	
Aldi	Aldi	

Note. Lidl and Aldi were included in the dehydrated onion sample survey to represent the Discounter category. No information is included in this report for either store because neither one stocked any dehydrated onion product during the period of the survey.

Supermarkets

Owner Group	*Facias*	
SHV Makro	Otto Reichelt	
Tenglemann	Tenglemann	
Metro Group	Mien Markt	extra
Lidl & Schwarz	Handelshof	
Kathreiner	Komm	Krone
AVA	Dixi	
Deutscher Supermarkt		

Traditional Small Stores

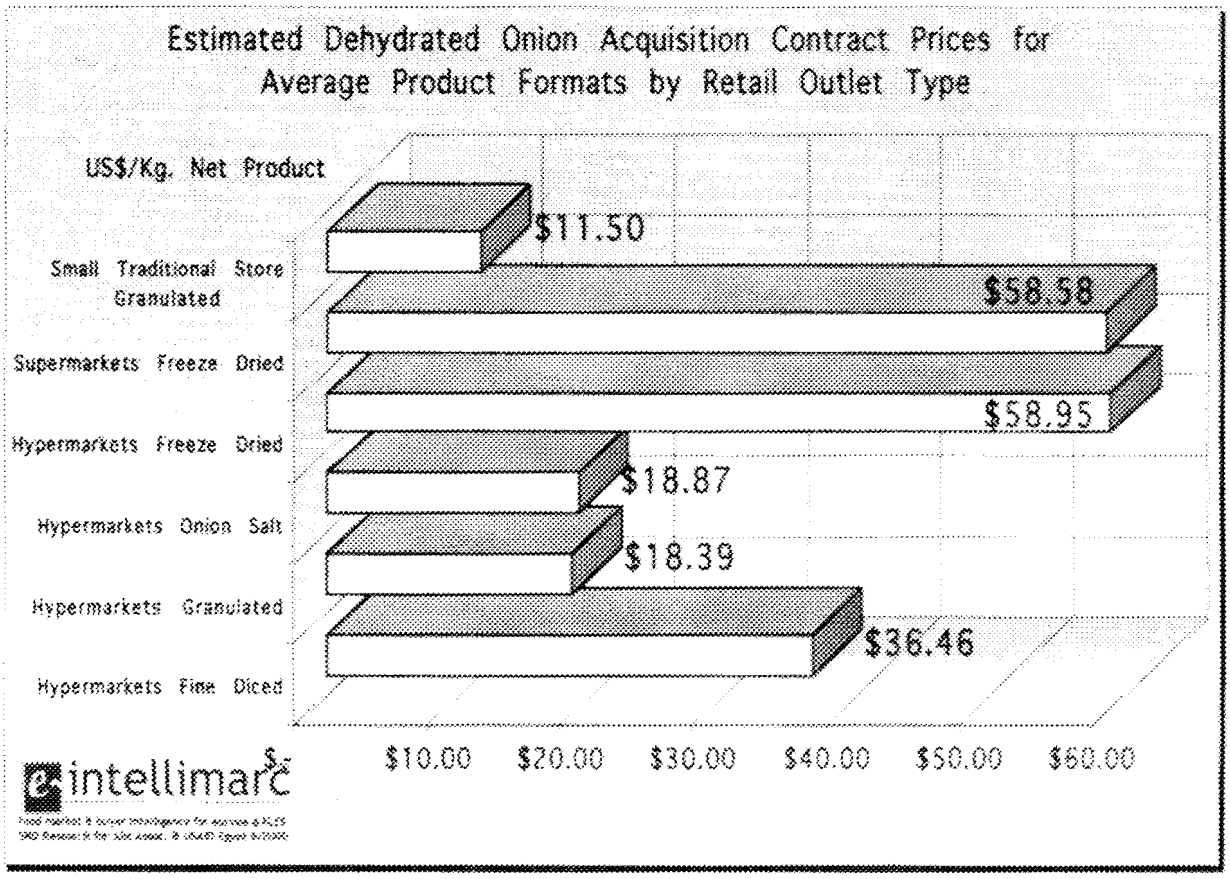
Tenglemann	Mini
Kupsch	Kupsch
Norma	Norma
Edeka	Neukhauf

This represents an average of all stores in the category, including all different product types (diced, granulated etc.), and all package sizes and types (plastic, film, glass and foil).

SRD Estimates of Food Sales by Type of Retail Outlet for Germany	
Hypermarkets	28.0%
Supermarkets	29.8%
Trad. Grocers	13.1%
Discounters	27.9%
Specialists	1.2%
Total	100.0%

Josef Schwarz 1930
Founder of Lidl & Schwarz

Kupsch: Small Traditional Store



PART TWO: BUYER INTELLIGENCE FOCUS PROFILE: KAUFLAND HYPERMARKETS AND THE LIDL & SCHWARZ GROUP

5. Lidl & Schwarz Group and Kaufland Hypermarkets : Buyer Focus Profile

a. Lidl & Schwarz Group: Worldwide Overview

The food marketing empire of world famous billionaire, Dieter Schwarz, started with Josef Schwarz in 1930. Today it has spread into most of Western Europe and is expanding to the East into the Czech Republic and to the South into Greece. The group employs over 30,000 workers and its sales top DM 25b. The group has over 3,000 stores and its Lidl division is one of the largest, and most famous, "deep" discounting chains in the world. The group's entry into the hypermarket/superstore sector was in 1968 with the establishment of its first Handelshof store. The Schwarz group has a total of 154 hypermarkets and superstores in Germany using the Kaufland, Concord and Handelshof facias. As a private company, only limited information is released to the public but a general overview of the company and its competitive outlook can be put together from available information.

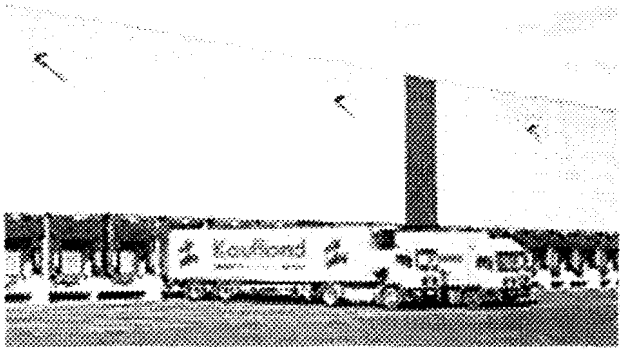
Josef Schwarz

b. Lidl & Schwarz Group Marketing Strategy

Josef Schwarz 1930

The Lidl & Schwarz Group made their name in discounting, but their marketing strategy has always included a strong component in large format supermarkets. Company literature characterizes the period from 1973-80 as a *regional* marketing phase, with 1981-88 as the *national* phase, and since 1989 as the

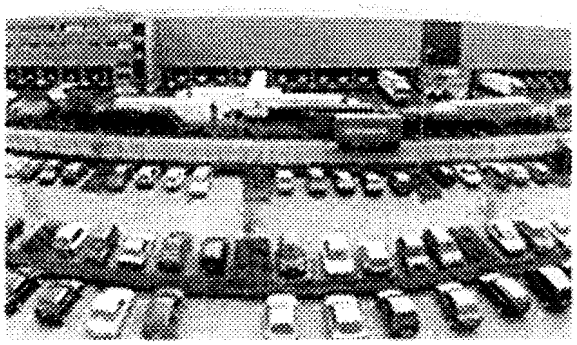
international period. In contrast to the very scattered international marketing schemes of its major competitors (the Metro and Tengelmann groups), the word, *international*, for Schwarzreally means *Europe*. This European focus has given Lidl & Schwarz a concentrated advantage.



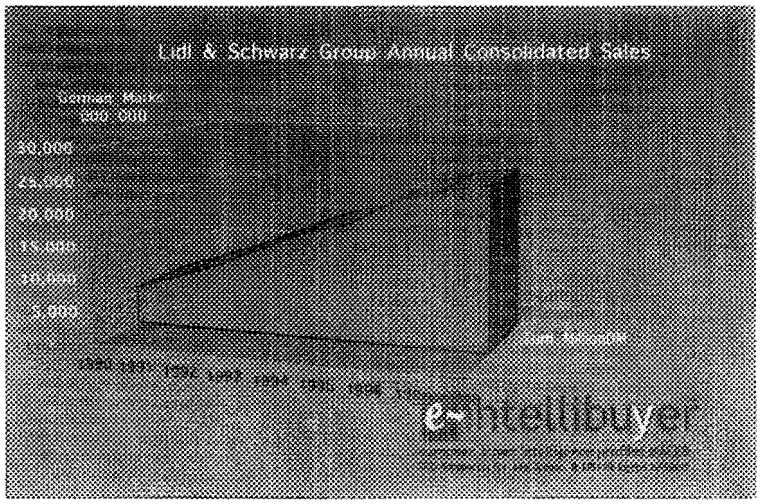
c. Lidl & Schwarz Group Strengths, Weaknesses and Strategic Opportunities

The principal strengths of the Lidl & Schwarz group, in our view, lie in their balanced format structure, in the concentrated geographic focus of their international expansion plans, and the strong financial position of the group as a whole Their principal weakness, if they really have one, may be their lack of a DIY chain. The recent sale of DIY Delta Hauser Baumarkt reduces the group's full use of their integrated supply infrastructure.

Both second place Tengelmann and third place Lidl & Schwarz, are positioned with strong discounter and hypermarket assets to

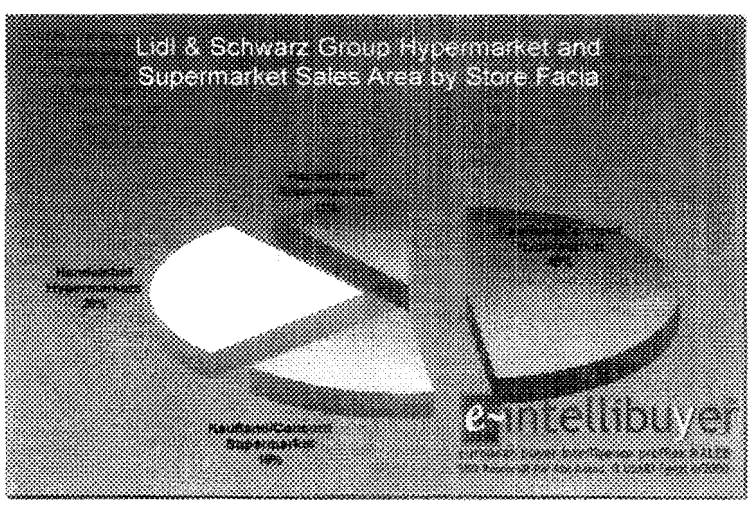


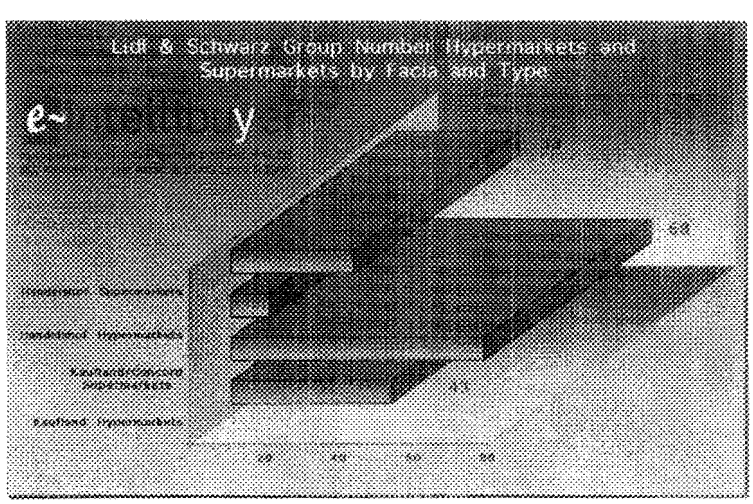
take a "*pincer*" attack from both sides on first place Metro Group, which lacks a strong discounter presence. Their principal strategic opportunity appears to us to be in expansion of their hypermarket division, both at home and to the East. Kaufland's recent expansion in the Czech Republic is in the right direction



Lidl & Schwarz Group Sales Area by Type of Retail Food Outlet (Square Meters)

	Hypermarket	Supermarkets	Discounters
1990	80,079	49,479	808,982
1991	162,765	62,161	981,673
1992	213,549	86,211	952,698
1993	230,963	100,141	1,281,854
1994	284,924	116,336	1,454,545
1995	383,857	146,597	1,515,972
1996	428,059	167,613	1,672,437
1997	502,758	198,114	1,824,266
1998	536,684	213,428	1,951,756

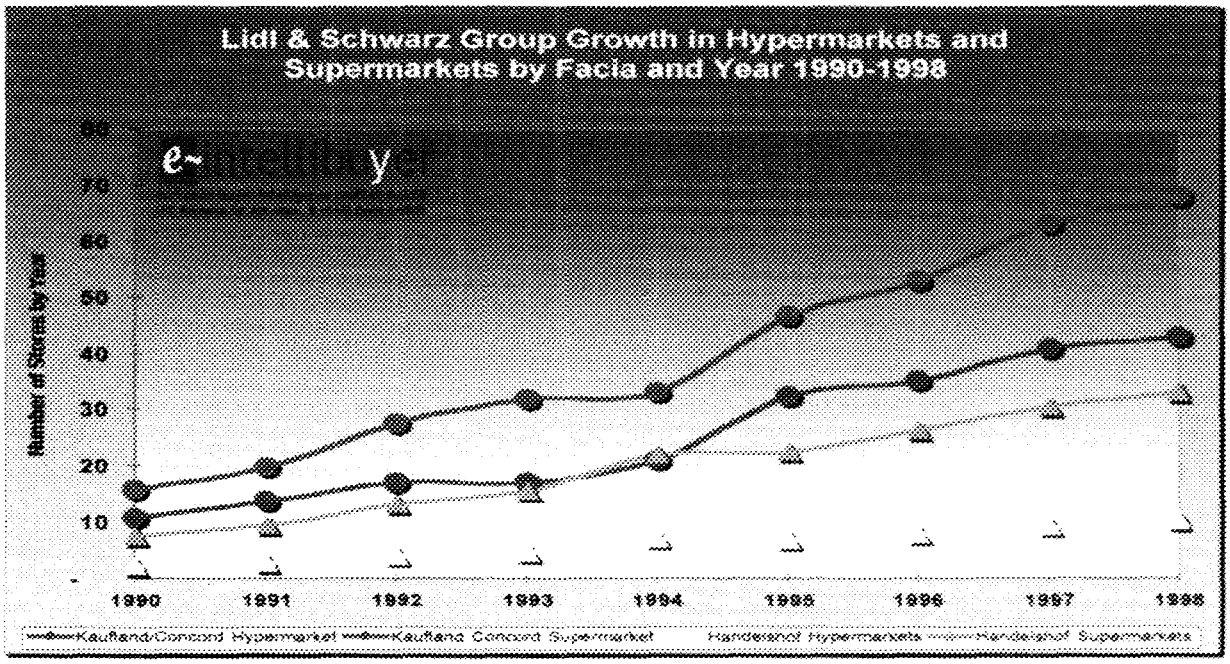


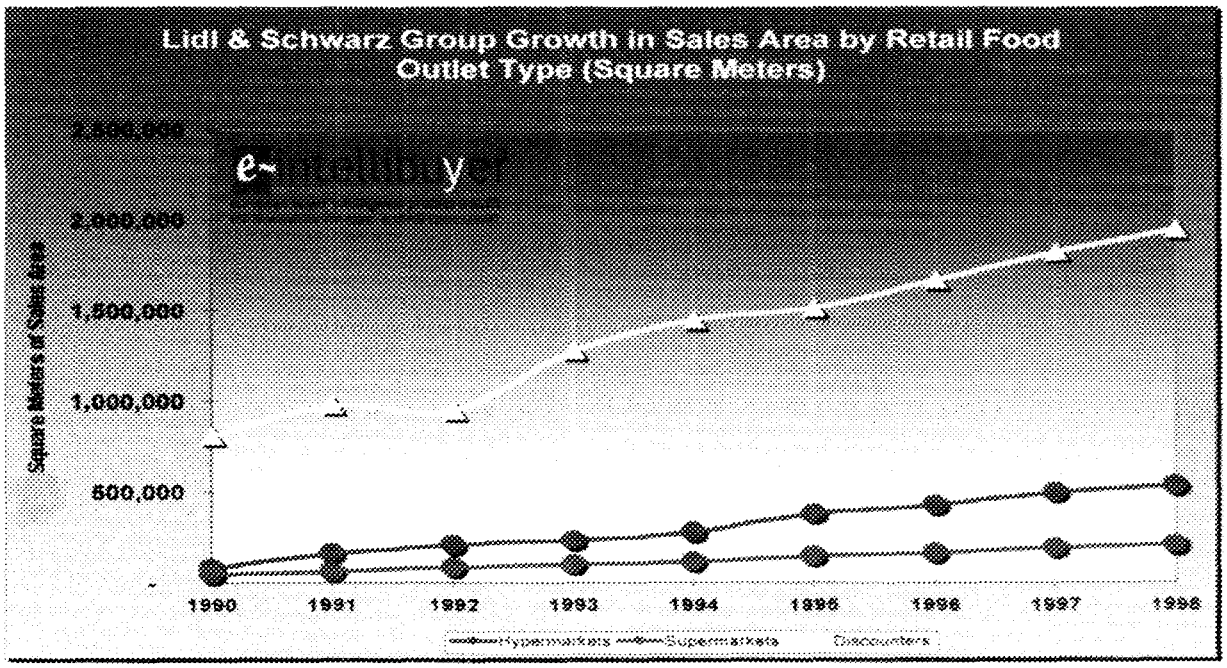


d. Lidl & Schwarz Group Store Formats and Sales Area in Germany

The Lidl & Schwarz Group has over 150 hypermarkets and superstores in Germany with a total sales area of over 700,000 square meters. As indicated in the table on the left, this is just over one third of the sales area of the 1700 Lidl discount stores. The pie chart below divides the group's hyper and superstore sales area by facia. Almost half of the total hyper/super store area is in the Kaufland facia with the Handelshof label hypermarkets constituting 26%. Only 26% (15% Kaufland and 11% Handelshof) of the area is in the superstore category with stores of less than 5,000 square meters each.

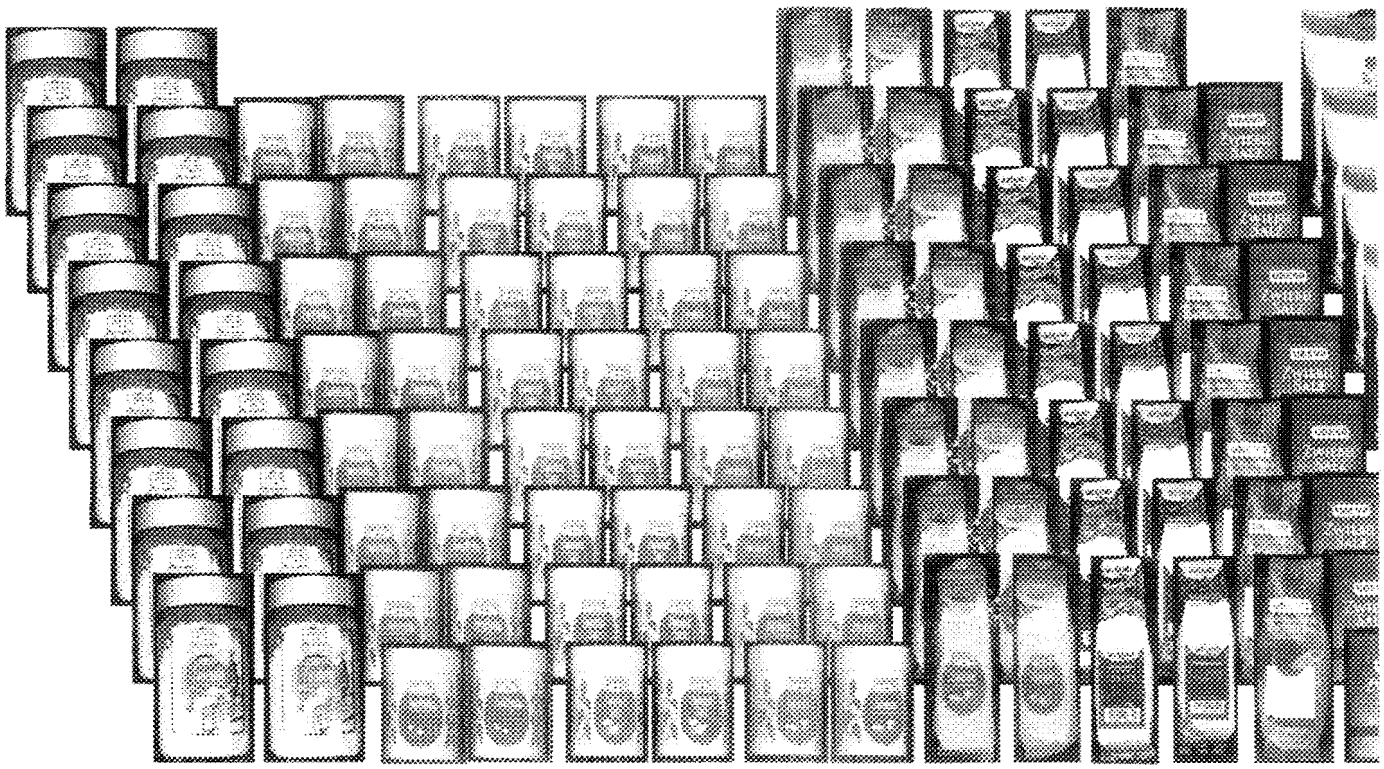
Although the group has sustained solid growth in all three formats, the graphs on the opposite page illustrate that the discounter format continues to dominate in both growth and area.





Lidl & Schwarz Stiftung & Co. KG Hypermarkets and Supermarkets in Germany

	Kaufland/Concord		Handelshof		
	Hypermarket:	Supermarkets	Hypermarkets	Supermarkets	Total
1990	11	16	2	8	37
1991	14	20	3	10	46
1992	17	28	4	13	62
1993	17	32	5	15	69
1994	21	33	7	22	83
1995	32	47	7	23	108
1996	35	53	8	26	122
1997	41	63	9	31	144
1998	43	68	10	33	154



e. Kaufland Dehydrated Onion Product Line, Brand and Pricing Strategy

i. Kaufland Dehydrated Onion Product Line

The Kaufland dehydrated onion product line is made up of an offering of thirteen different white onion products, illustrated in a typical Kaufland shelf display above. The thirteen products may be grouped into five types:

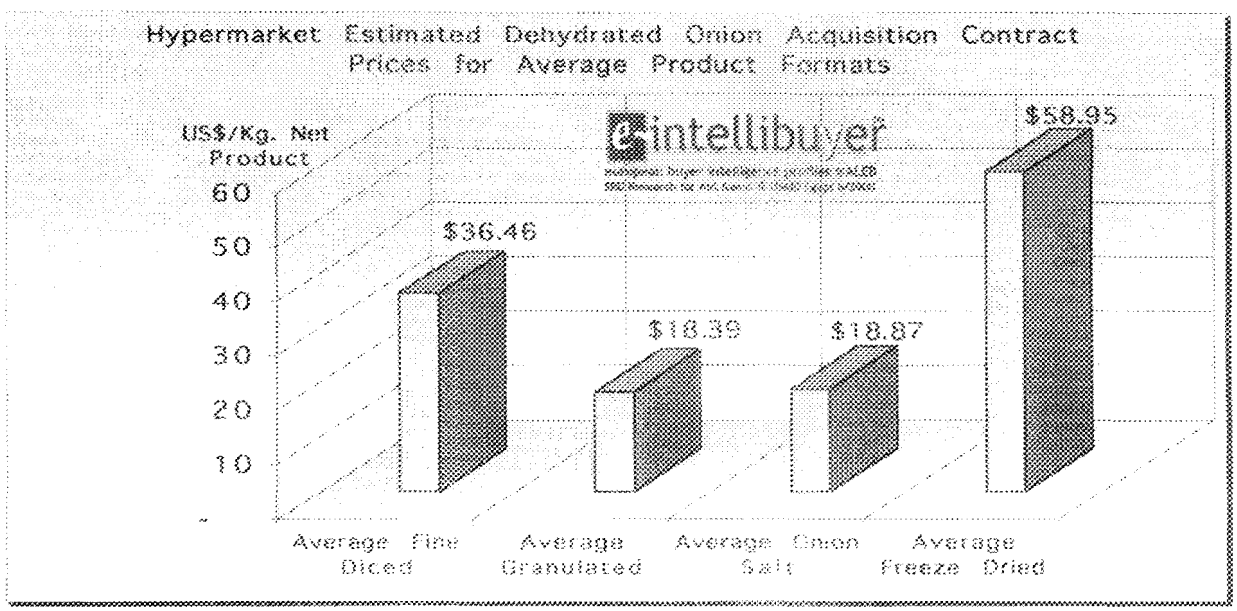
1. Fine Diced (2 products)
2. Freeze Dried Diced (1 product)
3. Onion Salt (3 products)
4. Granulated (5 products)
5. Dried Onion Soup Mix (2 products)

ii. Kaufland Dehydrated Onion Brand Strategy.

Six out of the thirteen products are in the Fuchs brand. Two Ubena brand, two Weland and a low priced Wagner label complete the dehydrated onion product line. Two world famous brands are offered for dried onion soup mix, Knorr and Maggi. No generics or chain label brands are offered.

iii. Kaufland Dehydrated Onion Pricing Strategy

Retail pricing for the five product groups is presented in the table opposite. The graph



opposite and the table below also outline the average estimated acquisition price which Kaufland paid to suppliers during the 1999-2000 period. Since hypermarkets do not release their contract pricing, these estimates are based on estimated margins for these types of products.

Kaufland, and in fact all of the sampled stores in Germany, price dehydrated onions with emphasis on single package prices, not product weight. For example, the price for each package varies much less than the price for a single unit by product weight. The highest prices, by more than double, are the diced formats which occupy a larger volume, and therefore have much lower weight in the same sized package when compared with the heavier granulated and onion salt formats. Freeze dried, the largest volume product for the lowest weight, is by far the highest priced product at $66.46/kg.. The dense granulated and onion salt formats are priced the lowest at $20-21/kg.. Detailed retail pricing and estimated supplier acquisition contract prices are presented in the tables on the next two pages for each of the thirteen Kaufland product line items.

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Product Type	Average All Formats	Average Fine Diced	Average Granulated	Average Onion Salt	Average Freeze Dried
Net Contents (Grams)	69.5	45.0	110.0	101.7	40.0
Package Type					
Height cm	13.4	12.3	15.4	11.0	12.9
Width cm (or diameter if cylindrical)	6.1	5.1	6.9	5.2	6.2
Depth cm (or diameter if cylindrical)	4.2	4.2	3.3	4.6	7.5
Shelf Space (Cubic Centimeters)	3,738	2,734	3,721	2,484	9,598
Price Local Currency (DM)	4.38 DM	3.94 DM	4.19 DM	4.52 DM	5.79 DM
Price in USD Retail per Package	$2.01	$1.81	$1.92	$2.08	$2.66
USD/kg.	$28.74	$41.11	$20.73	$21.27	$66.46
Estimated 2000 Retailer Acquisition Contract Price					
US$/Package	$1.78	$1.60	$1.71	$1.84	$2.36
US$/Kg.	$25.49	$36.46	$18.39	$18.87	$58.95

Brand	Fuchs	Fuchs	Fuchs	Fuchs
Net Contents (Grams)	40.0	40.0	70.0	80.0
Package Type	Glass Plastic Bottle	Opaque Plastic Container	Opaque Plastic Container	Opaque Plastic Container
Height cm	12.8	7.6	7.6	7.6
Width cm (or diameter if cylindrical)	6.2	5.5	5.5	5.5
Depth cm (or diameter if cylindrical)	7.5	5.5	5.5	5.5
Shelf Space (Case Conversion)	5,592	3,673	3,673	3,673
Price Local Currency (SEK)	5.79 SEK	4.29 SEK	4.99 SEK	4.99 SEK
Price in USD Retail per Package	$2.68	$1.97	$2.29	$2.29
USD/Kg.	$66.96	$49.24	$32.73	$28.64
Estimated 2000 Retailer Acquisition Contract Price				
US$/Package	$2.38	$1.75	$2.03	$2.03
US$/Kg.	$59.53	$43.68	$29.03	$25.40
Estimated Packaging Specifications (reverse engineered)	Twist top clear plastic 60ml page bottle w/ graduated shaker. Twist opening 5.1cm. 5mm gloss white opaque plastic twist-cap with gold foil lined (.8mm) carton (7.9mm) insert.	Twist top clear plastic 5.1mm page carton w/ removable 4 graduated shaker openings insert (1.5mm, 4.0mm, 1cm, 1.5cm)	Twist top opaque plastic 1.5mm page carton w/ removable 4 graduated shaker openings insert (1.5mm, 4.0mm, 1cm, 1.5cm)	Twist top opaque plastic 1.5mm page carton w/ removable 4 graduated shaker openings insert (1.5mm, 4.0mm, 1cm, 1.5cm)
Label Specifications	Front label 4 color CMYK seal w/ 5th gold foil on 8mm clear adhesive film. Back label 3 color color on 20lb commercial.	Two spot color printing on plastic.	Two spot color printing on plastic.	Two spot color printing on plastic.
Product Specifications & Quality Evaluation	3.4-8mm thick cut, 3.5x5.2mm max chip size. Good white color (57%), off light and medium caramel color (43%) w/ 4% normal sizing of grind granules. 40g Fresh dry equivalent to 78kg fresh weight	1.1-8.5mm thick cut, 3.4-4.8mm max chip size. Good white color (18%), off caramel color (38%, 10% normal cornb (8% coarse granules with average diameter of .40mm)	Granule diameter range .32-.26mm. Good white color (12%, light off caramel color (18%, dark off caramel color 2%.	Granule diameter range .19-.15mm. Good white color (8%, light off caramel color 7%, dark off caramel color 1%.
Shelf Life (residual in months at PDP)	14	36	36	36

f. Kaufland Product Specifications.

The Tables on these two pages provide detailed descriptions of product sizes (diced, granules etc.) and color variation. The product with the lowest color consistency is the Wagner 250g. granulated package, which is understandably the very lowest price.

g. Kaufland Packaging

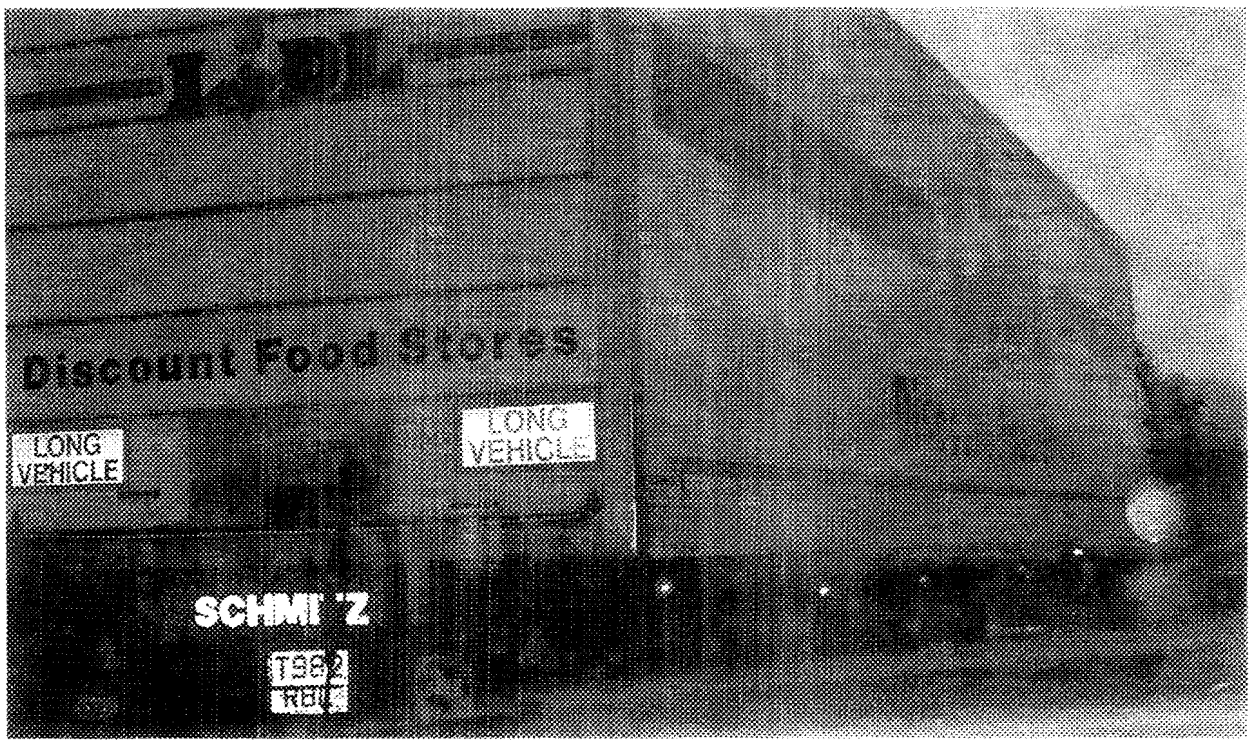
The tables above and on the opposite page provide detailed packaging descriptions and specifications for the thirteen Kaufland dehydrated onion products. The pages that follow present images of actual product, and product packaging for the thirteen Kaufland products.

e~intellibuyer

Product Type	White Salt	Fine Granulated	White Granulated	Dried Onion Snap Mix	Dried Onion Soup Mix
Brand	Poland	Poland	Wagner	Knorr	Knorr
Net Contents (Grams)	100.0	80.0	250.0	118.0	118.0
Package Type	Clear Film Sack	Clear Film Sack	Clear Film Sack	Paper Envelope	Paper Envelope
Height cm	17.0	17.0	18.2	17.6	17.6
Width cm (or diameter if cylindrical)	4.7	4.7	15.0	12.6	12.6
Depth cm (or diameter if cylindrical)	2.8	2.8	2.8	1.2	1.2
Shelf Space (Cubic Centimeters)	1,790	1,790	5,335	4,525	4,525
Price Local Currency (DM)	3.89 DM	2.99 DM	5.99 DM	1.39 DM	1.59 DM
Price in USD Retail per Package	$1.83	$1.37	$2.75		
USD/kg	$18.32	$17.16	$11.00		
Estimated 2000 Retailer Acquisition Contract Price					
US$/Package	$1.63	$1.22	$2.44		
US$/Kg	$16.23	$15.22	$9.76		
Estimated Packaging Specifications (reverse engineered)	Clear .07mm film sack with heat seam seal.	Clear .07mm film sack with heat seam seal.	Clear .07mm film sack with heat seam seal.	Foil (.04mm) backed chrome coat (.06mm) paper envelope.	Foil (.04mm) backed chrome coat (.06mm) paper envelope.
Label Specifications	Two label four spot color printing directly on 24lb adhesive backed chrome coat.	Two label four spot color printing directly on 24lb adhesive backed chrome coat.	Single label four spot color printing directly on 20lb adhesive backed chrome coat.	Four color CMYK step printing on chromecoat side of foil backed paper envelope.	Four color CMYK step printing on chromecoat side of foil backed paper envelope.
Product Specifications & Quality Evaluation	Granule diameter range .084-.17mm. Good white color 50%, light off caramel color 1.5%	Granule diameter range .21-.25mm. Good white color 68%, light off caramel color 1.2%	Granule diameter range .22-.3.35mm. Good white color 79%, light off caramel color 1.5%, dark off caramel color 3%	Chip thickness .8-.1.4mm. Chip size variation from min 1.1x0.7mm to max 2.4mm x 1.7mm x .7mm. Good white 31%, light off caramel	Chip thickness .8-.1.2mm. Chip size variation from min 1.3x0.7mm to max 2.3mm x 1.4mm x .7mm. Good white 68%, light off caramel
Shelf Life (residual in months at POP)	42	42	22	9	14

e~intellibuyer

Product Type	White Fine Dried	White Granulated	White Salt	White Granulated
Brand	Pacha	Pacha	Ubena	Ubena
Net Contents (Grams)	50.0	80.0	125.0	75.0
Package Type	Clear Film Sack	Clear Film Sack	Plastic Container	Clear Film Sack
Height cm	17.0	17.0	8.50	17.0
Width cm (or diameter if cylindrical)	4.7	4.7	5.40	4.7
Depth cm (or diameter if cylindrical)	2.8	2.8	5.40	2.8
Shelf Space (Cubic Centimeters)	1,790	1,790	1,983	1,790
Price Local Currency (DM)	3.39 DM	3.69 DM	4.59 DM	3.29 DM
Price in USD Retail per Package	$1.63	$1.69	$2.11	$1.51
USD/kg	$32.97	$21.18	$16.86	$21.58
Estimated 2000 Retailer Acquisition Contract Price				
US$/Package	$1.46	$1.50	$1.87	$1.34
US$/Kg	$29.24	$18.79	$14.96	$19.14
Estimated Packaging Specifications (reverse engineered)	Heat seam and seal .08 mm clear film sack.	Heat seam and seal .08mm clear film sack.	Red Plastic hinge, gage dispenser with graduated shaker with 3.45mm, 1.8mm and 12.5mm openings.	Clear .07mm film sack with heat seam seal.
Label Specifications	Front label two spot color with gold foil printing on 20lb chrome coat. Top label four color CMYK, seps printed.	Front label two spot color with gold foil printing on 20lb chrome coat. Top label four color CMYK, seps printed.	Single wraparound label with four color CMYK seps printing on adhesive backed 20lb chrome coat.	Four color CMYK, seb printing directly on plastic film.
Product Specifications & Quality Evaluation	.35-.55mm thick cut, 3.2-4.6mm max chip size. 52% good white color, 16% light and medium off caramel color, 2% medium-dark red.	Granule diameter range .22-.28mm. Good white color 80%, light off caramel color 1.9% dark off caramel color 1%	Granule diameter range .14-.37mm. Good white color 93%, light off caramel color 5%	Granule diameter range .21-.38mm. Good white color 83%, light off caramel color 1.2%
Shelf Life (residual in months at POP)	43	48	24	27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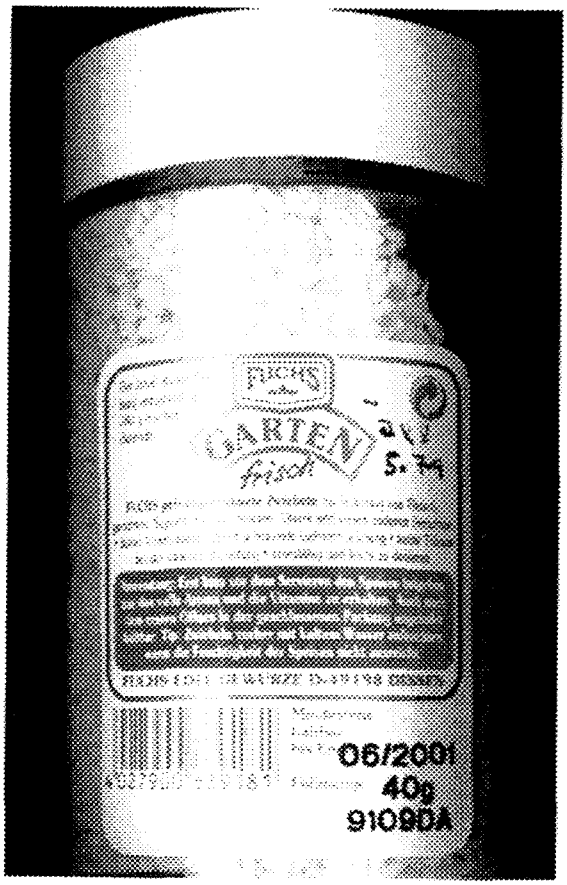
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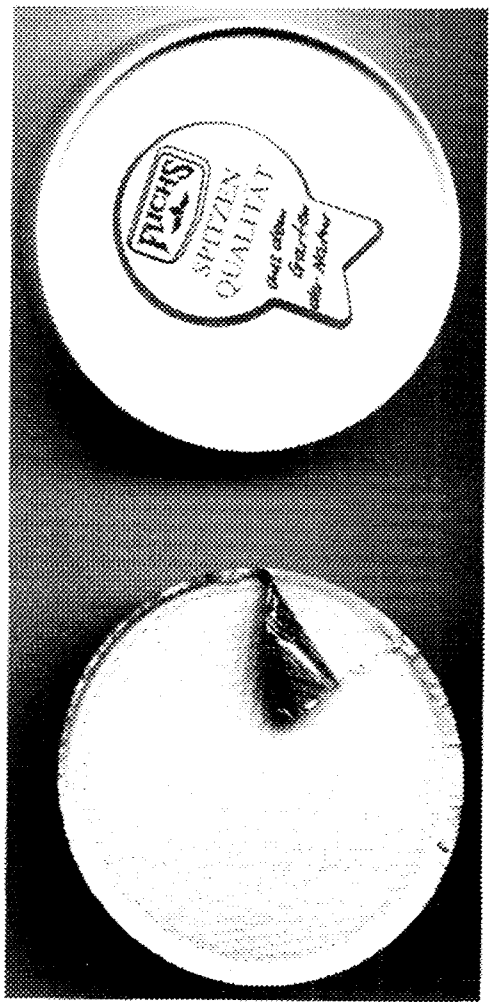
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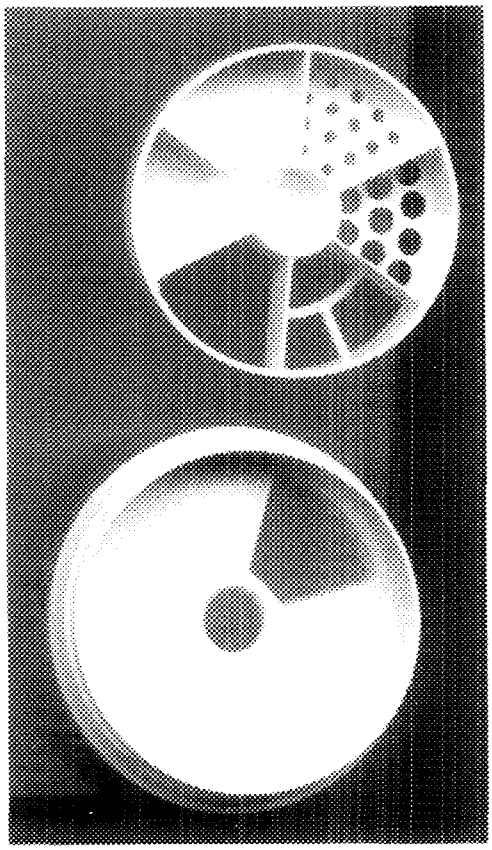

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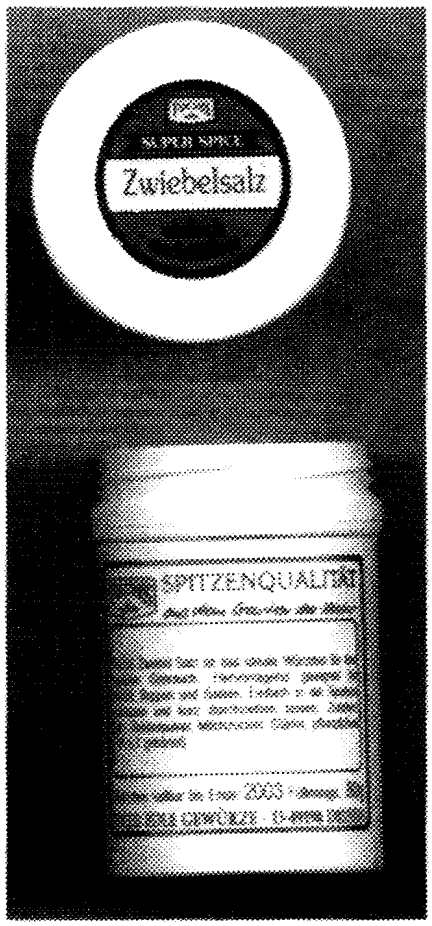

Note: This inset shows a computer enhancement (the red area) of granules with particular value of white density. This analysis was utilized for small particle products to estimate color variation.

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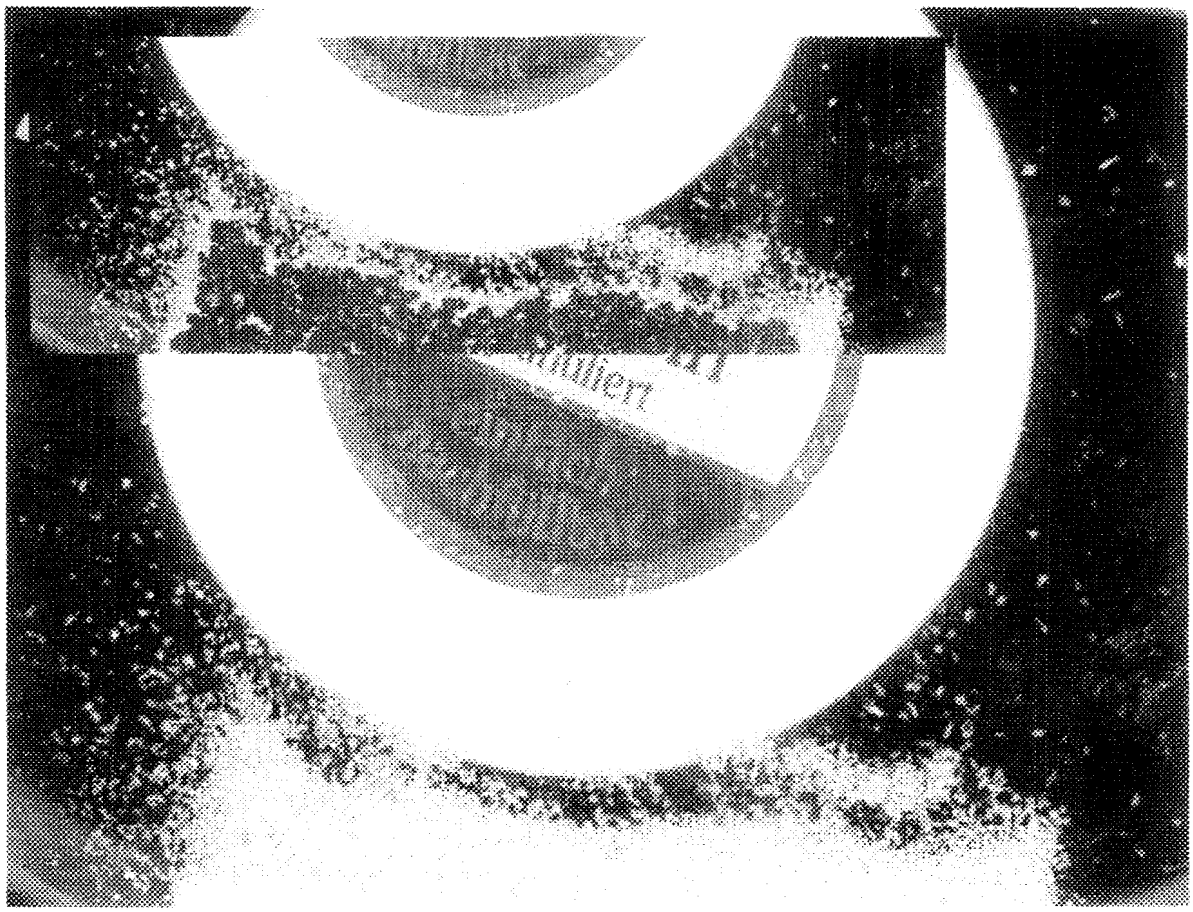

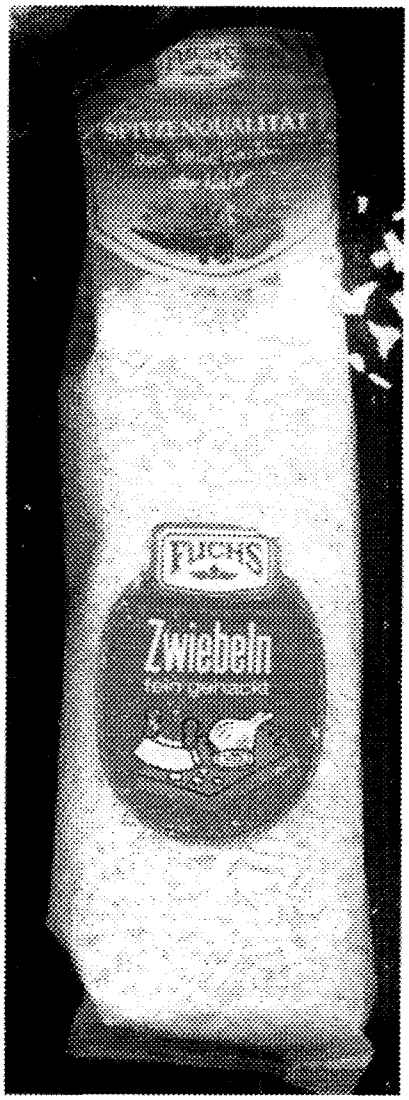
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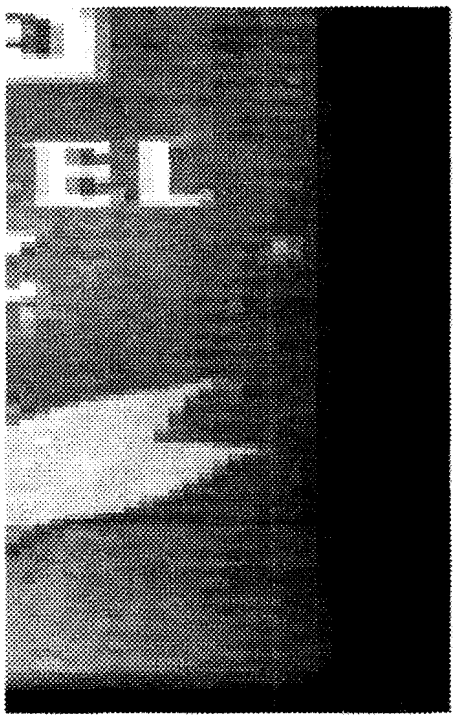
Note: This inset shows a computer enhancement (the red area) of granules with particular value of white density. This analysis was utilized for small particle products to estimate color variation.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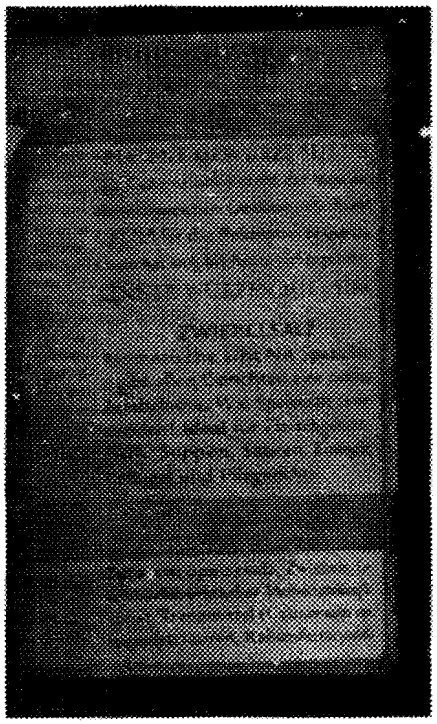

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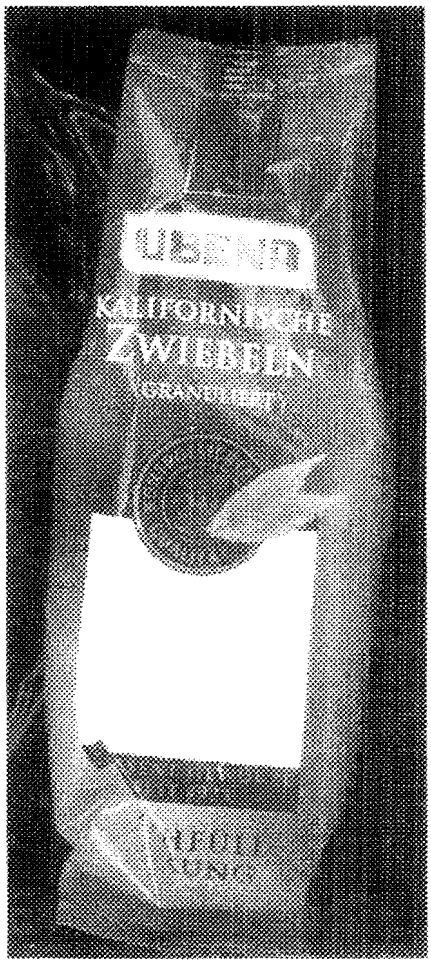

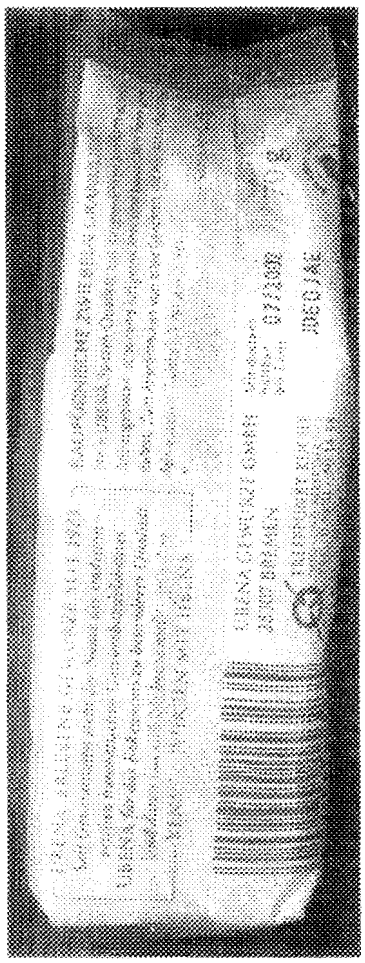

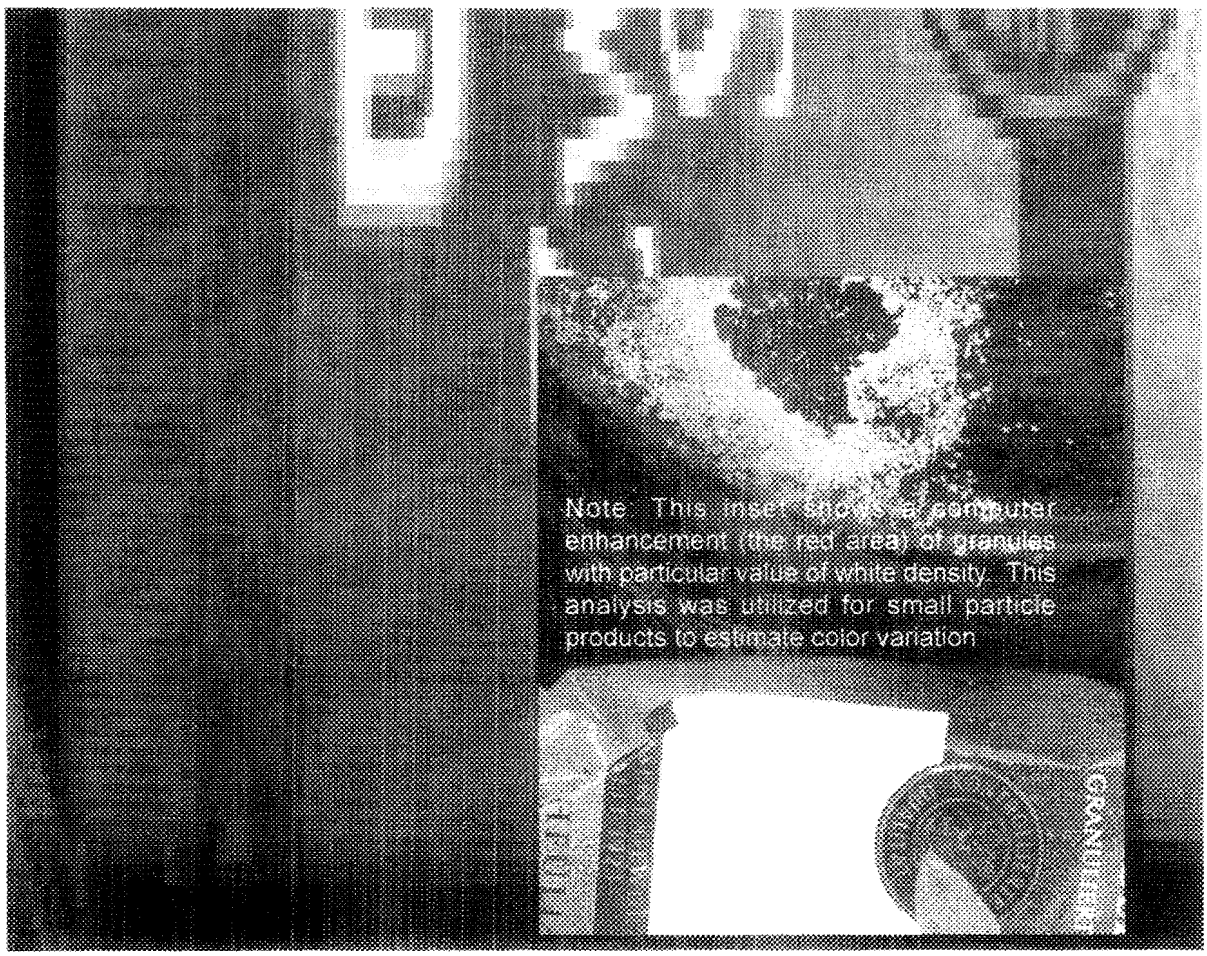

Note: This insert shows a computer enhancement (the red area) of granules with particular value of white density. This analysis was utilized for small particle products to estimate color variation.

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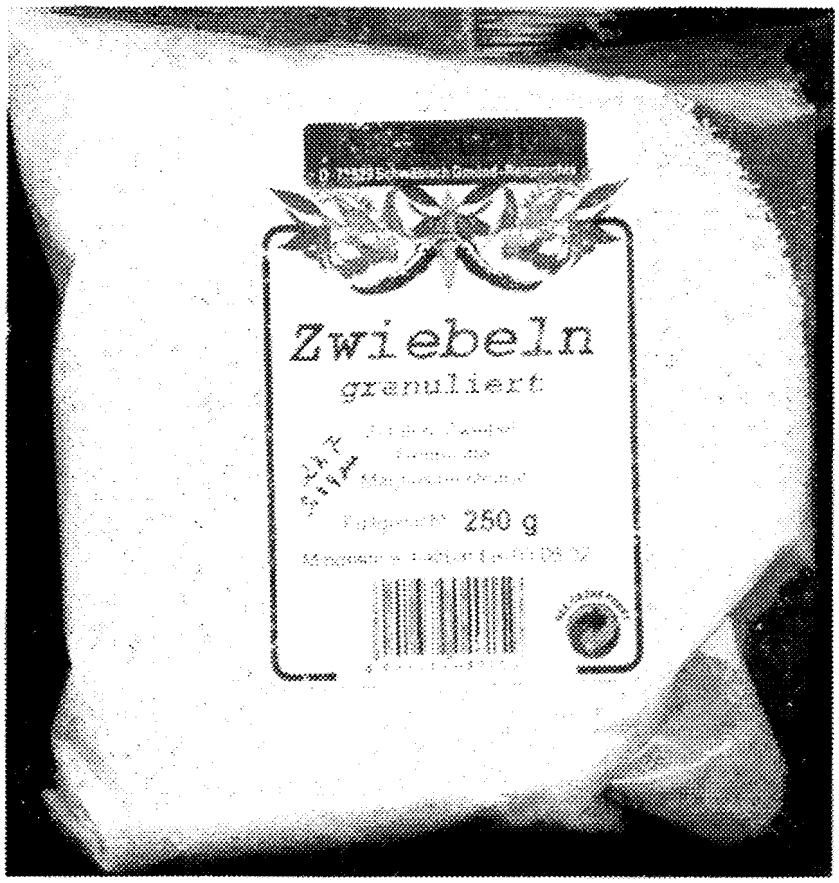

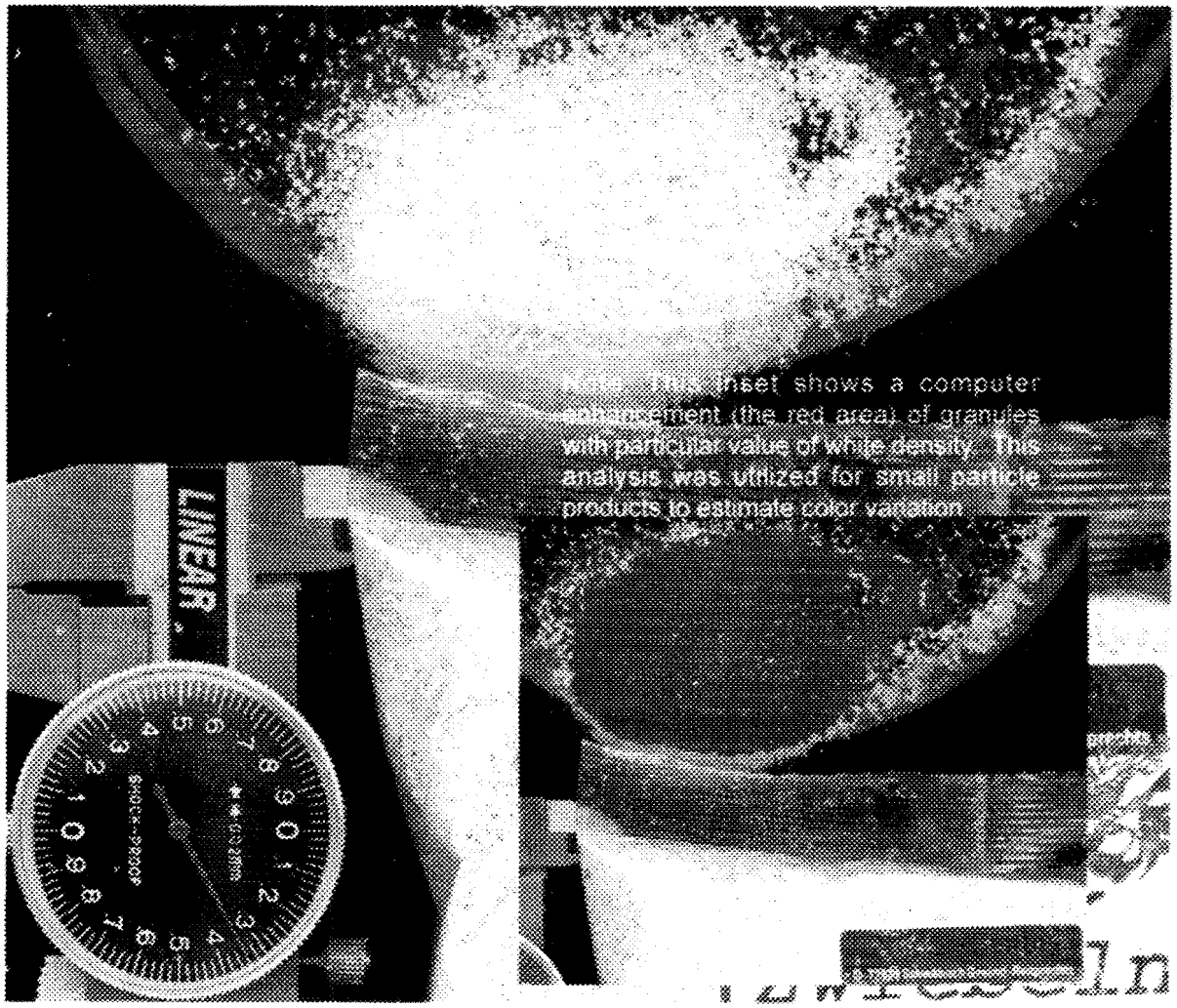

Inset shows a computer enhancement (the red area) of granules with particular value of white density. This analysis was utilized for small particle products to estimate color variation.

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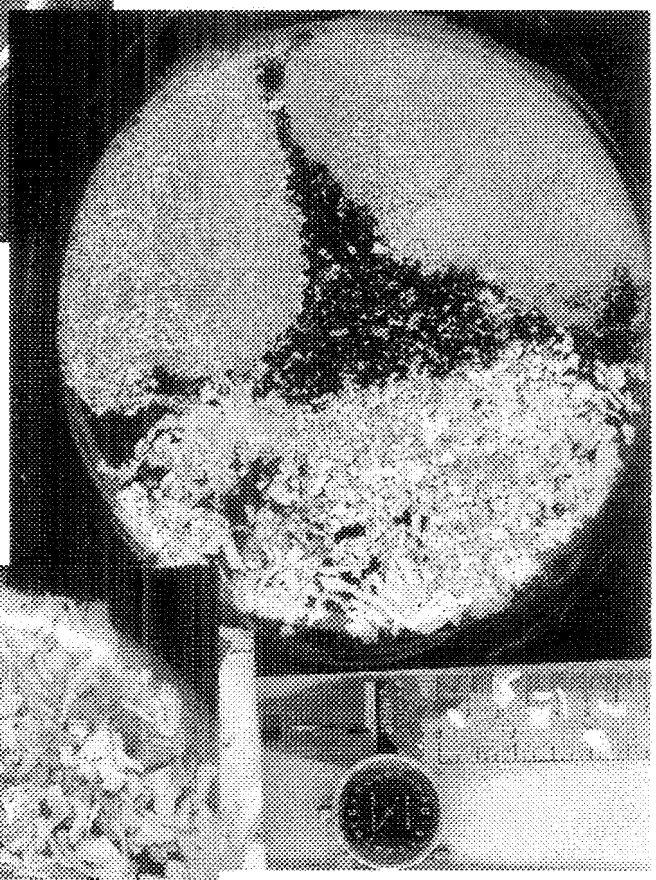
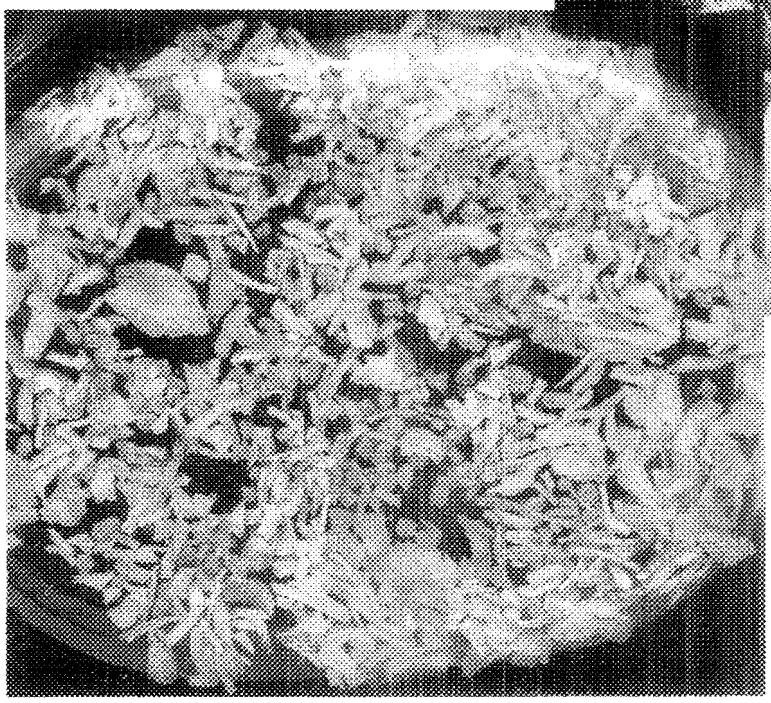
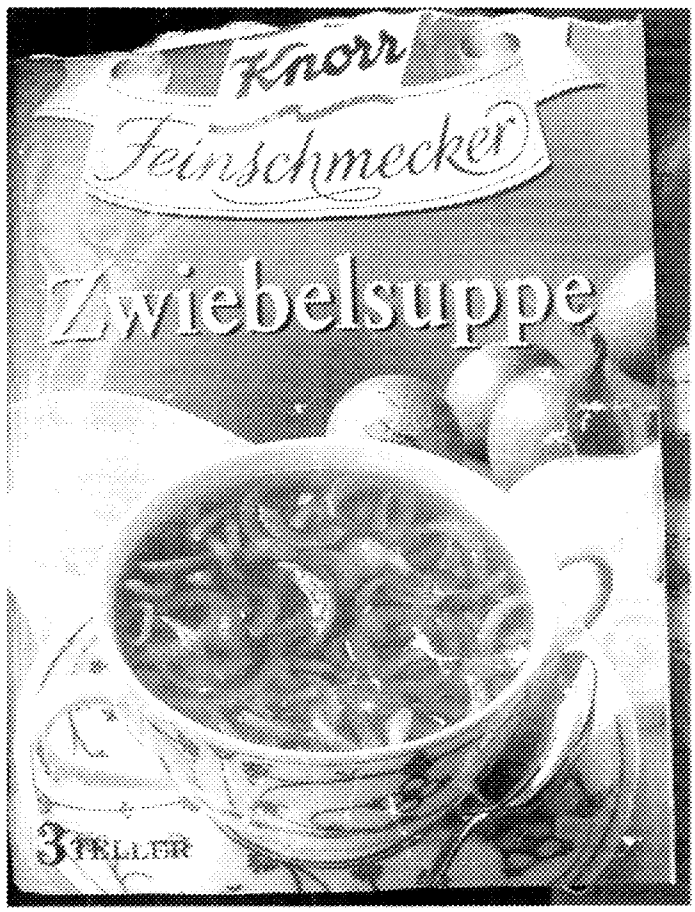
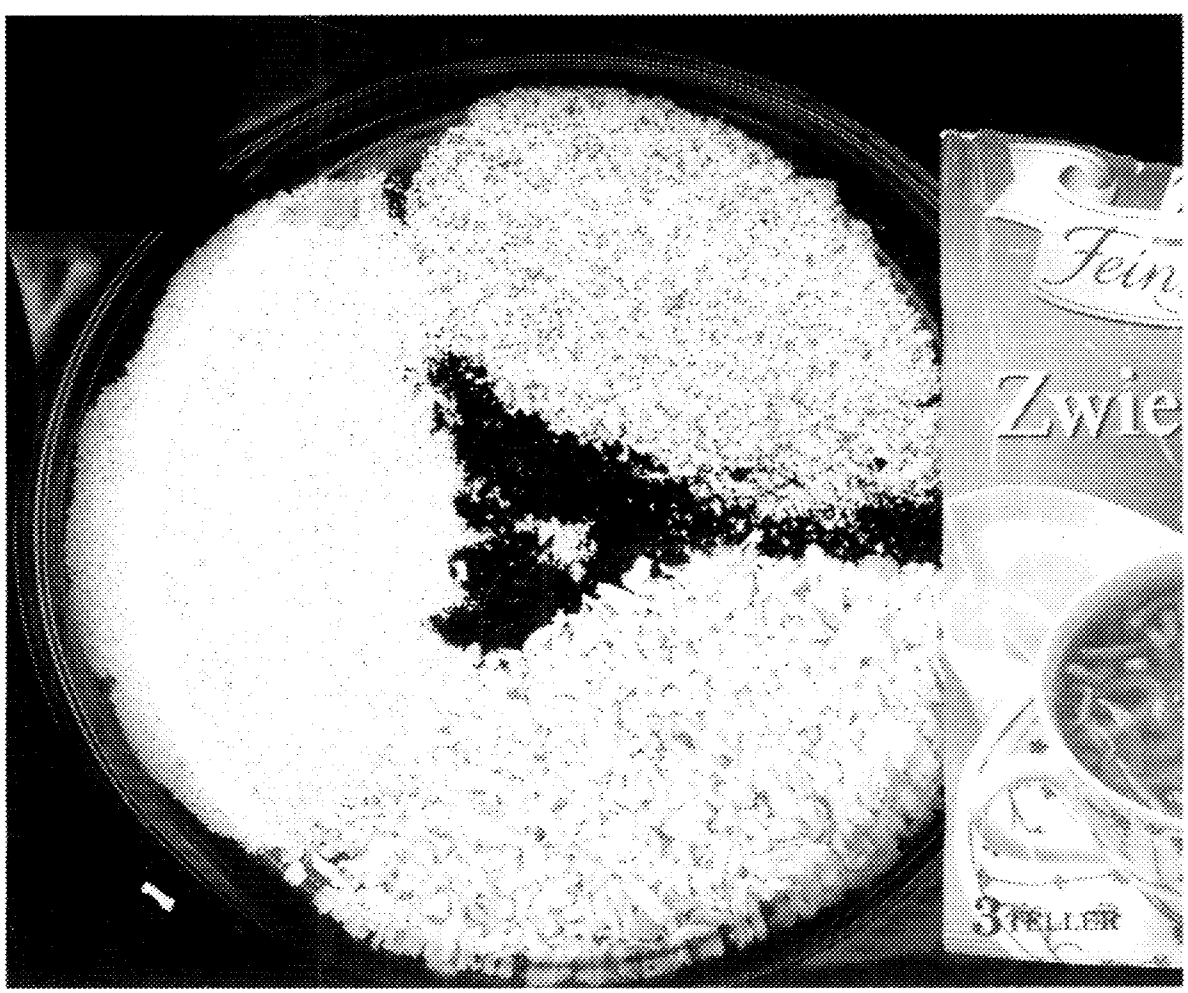
Maggi
Zwiebelsuppe
FEINSCHMECKER ART

Zwiebelsuppe






Knorr
Feinschmecker
Zwiebelsuppe
3 TELLER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3 TELLER

PART THREE: BUYER INTELLIGENCE BRIEFS: TENGELMANN, KUPSCH, AND NORMA

6. Tengelmann: Supermarket Buyer Brief

a. Estimated Buyer Acquisition Contract Prices for Supermarkets

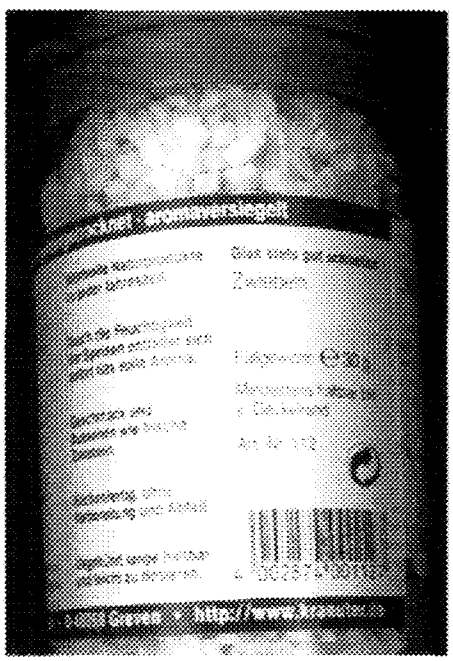
The table below presents the SRD/*e-intellimarc* estimates of the acquisition contract price paid on average by supermarket chains for all product types and package sizes. These estimates do not measure a specific transaction. They are intended only as general guidelines based on estimated margins and import product costs.

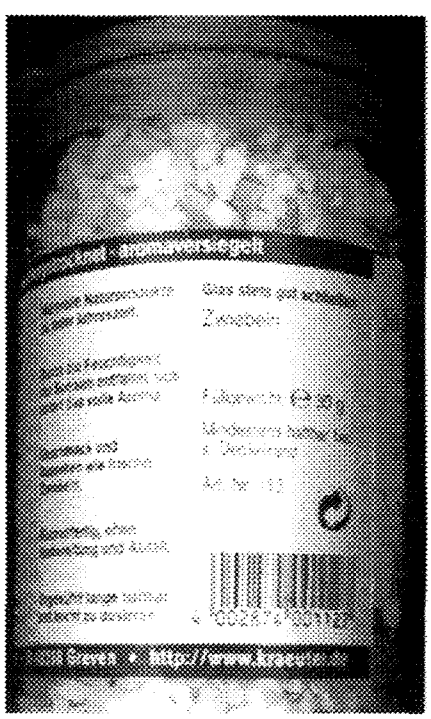
e-intellibuyer

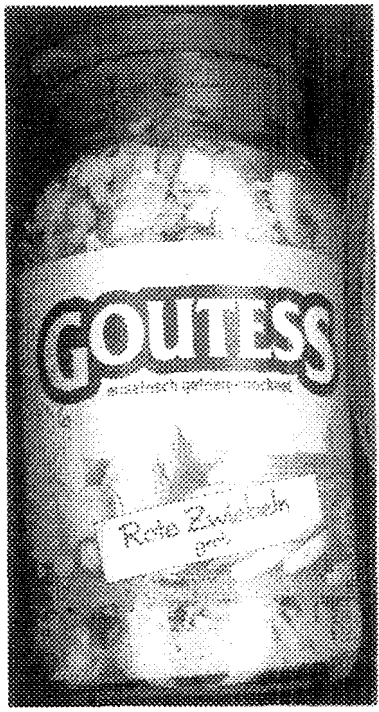
Product Type	White Fleece Dried Diced	Red Fleece Dried Diced	Dried Onion Soup Mix	Average All Formats	Average Fleece Dried
Brand	Goutels	Goutels	Knorr		
Net Contents (Grams)	30.0	12.9	118.0	30.0	23.8
Package Type	Clear Glass	Clear Glass	Al/Paper Envelope		
Height cm	12.9	11.4	17.6	12.2	12.2
Width cm (or diameter if cylindrical)	6.0	5.1	12.8	5.6	5.6
Depth cm (or diameter if cylindrical)	6.0	5.1	1.2	5.6	5.6
Shelf Space (Cubic Centimeters)	11,148	7,116	4,325	9,131	9,131
Price Local Currency (DM)	4.49 DM	2.49 DM	1.59 DM	3.49 DM	3.49 DM
Price in USD Retail per Package	$2.06	$1.14	$0.73	$1.60	$1.60
USD/kg.	$68.72	$65.33	$2.47	$67.03	$67.03
Estimated 2000 Retailer Acquisition Contract Price					
US$/Package	$1.60	$1.00	$0.64	$1.40	$1.40
US$/Kg.	$60.06	$57.10	$2.16	$58.38	$58.58
Estimated Packaging Specifications (reverse engineered)	Clear glass bottle with green plastic 1mm gage flip top.	Clear glass bottle with green plastic 1mm gage flip top.	Foil (.04mm) backed chrom coat (.06mm) paper envelope.		
Label Specifications	Single wrap around label 4 color CMYK sep printing on 20lb chromecoat.	Single wrap around label 4 color CMYK sep printing on 20lb chromecoat.	Four color CMYK sep printing on chromcoat side of foil backed paper envelope.		
Product Specifications & Quality Evaluation	Chip thickness 8-1.2mm, max chip size 4x5.2mm, min 1.2x1.8mm. Good white color 82%, light off carmel color 18%.	Chip thickness 1.8-2mm, max chip size 1.4x.8cm, chip 4x3mm, variable red color 65%, variable white color 35%.	Chip thickness .7-.74mm. Chip size variable from min 2.5x3.7mm to max 2.4cm x 1.2cm x .7mm. Good white 35%, light off caramel		
Shelf Life (residual in months at POP)	28	26	17		

The acquisition price estimates by package size and type in the table on the opposite page can give potential exporters a more refined idea of the quality and price relationships in the German market place and assist in developing concrete feasibility studies and export business plans. Retail chains do not release their actual acquisition contract pricing for public information. These estimates are based on SRD's best secondary information on retail to acquisition margins, applied to direct measurements of actual retail sales prices. They should be used only as preliminary indicators, and must be confirmed through actual market tests and direct negotiations with buyers.

b. Tengelmann Packaging






GOUTESS
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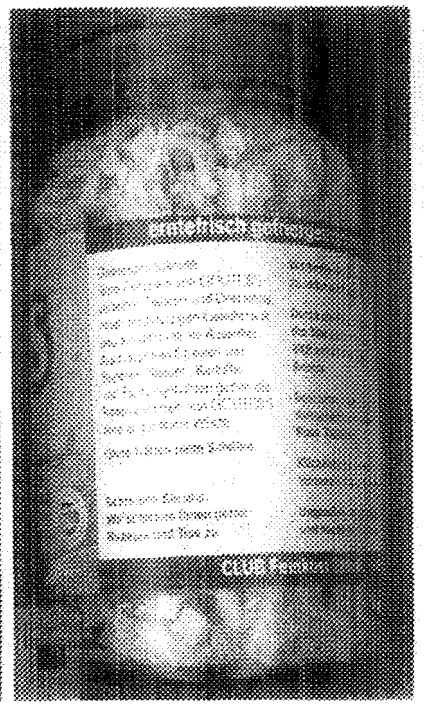
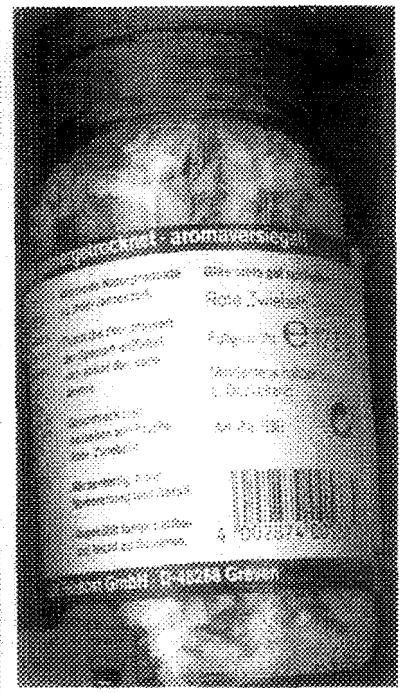
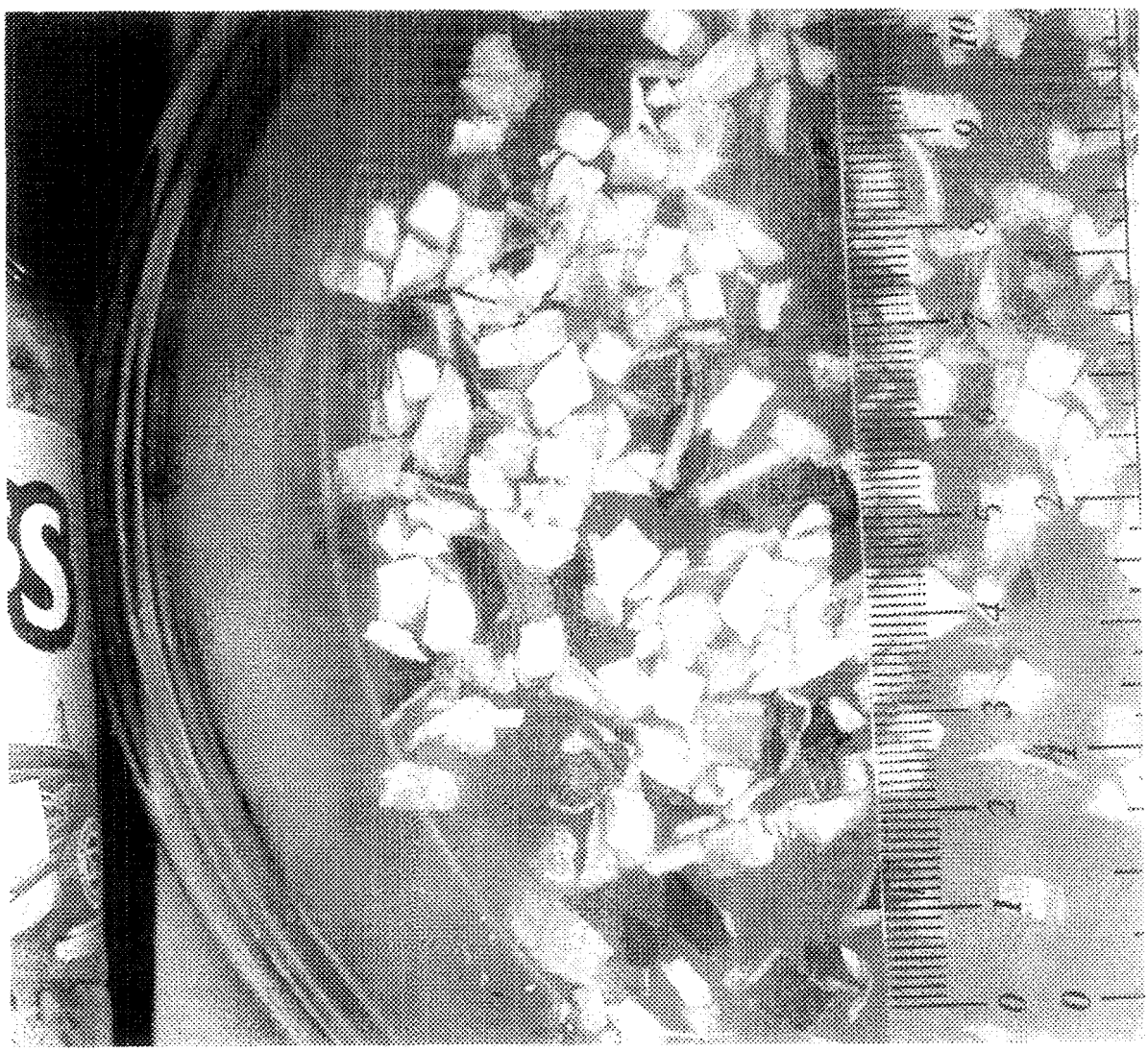
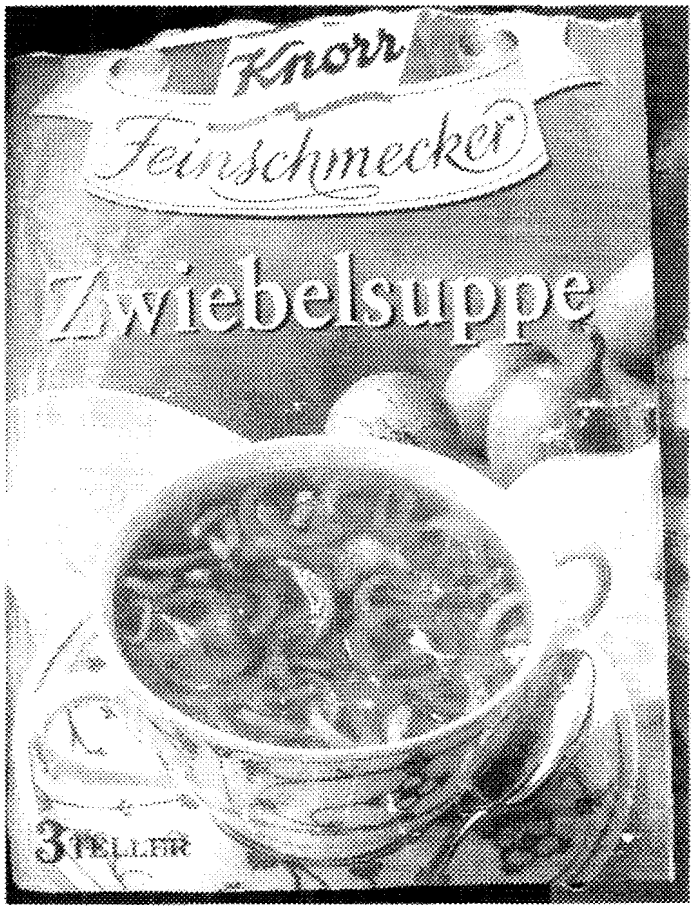
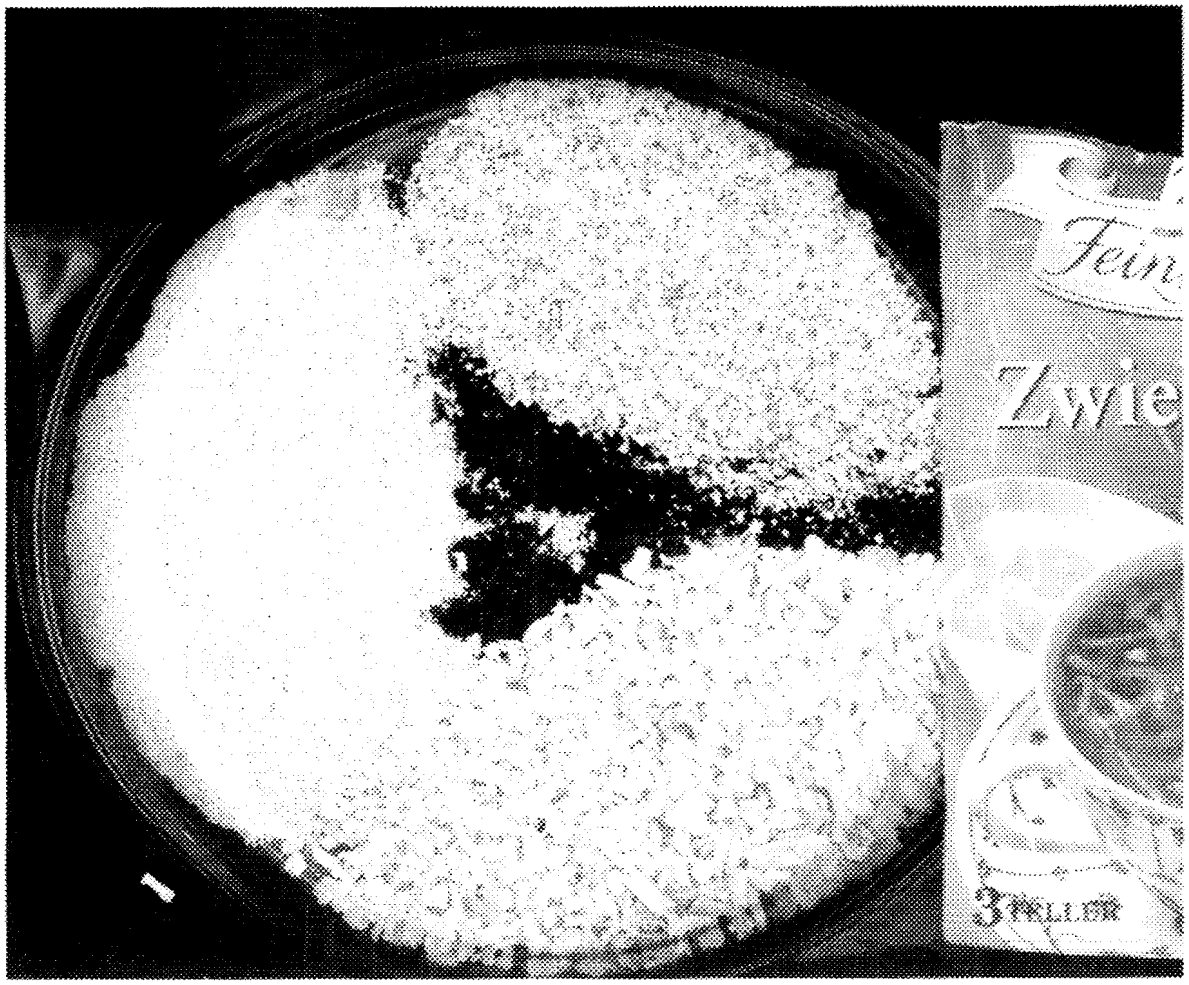







Knorr
Feinschmecker
Zwiebelsuppe
3 TELLER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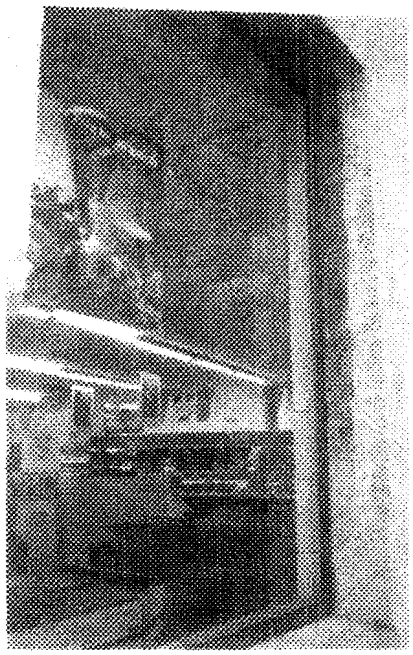
7.Kupsch & Norma: Small Traditional Store Buyer Briefs

a. Estimated Buyer Acquisition Contract Prices for Small Traditional Store Chains



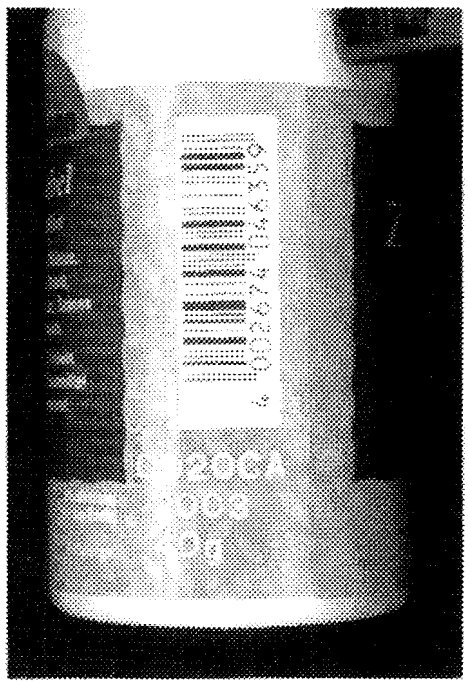
The table below presents the SRD/*e-intellimarc* estimates of the acquisition contract price paid on average by all traditional small store format chains for all product types and package sizes.

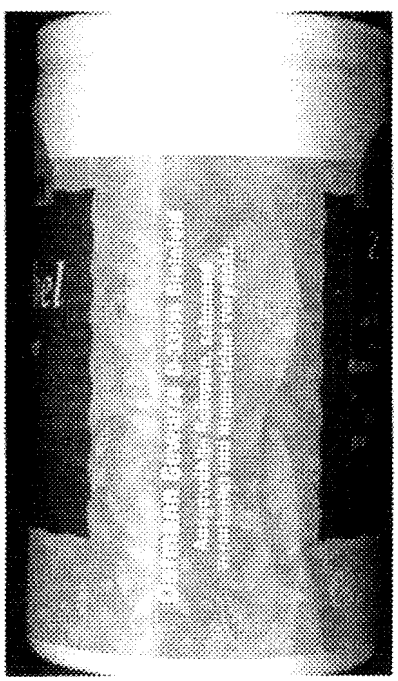
These estimates do not measure a specific transaction. They are intended only as general guidelines based on estimated margins and import product costs.

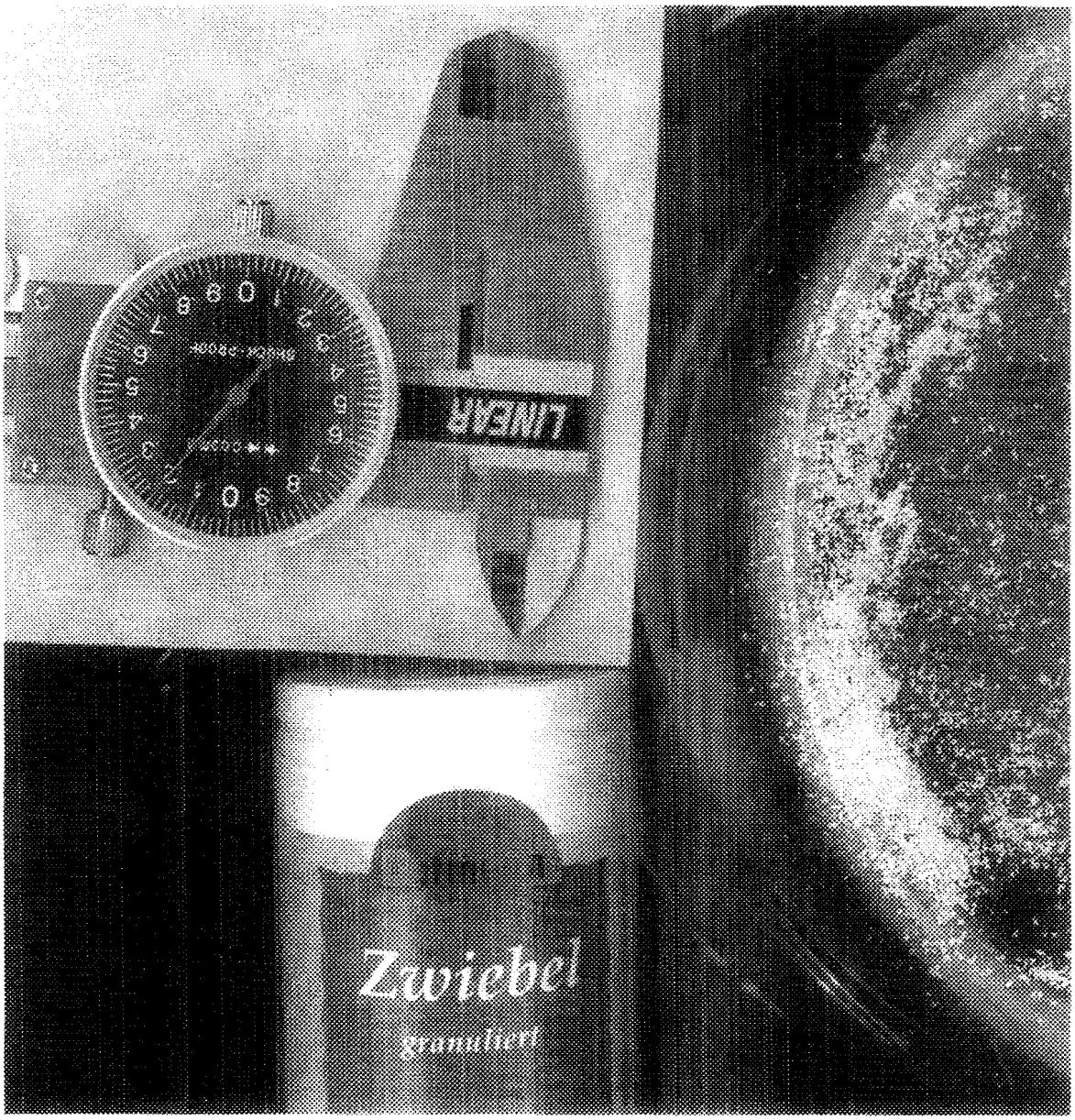
e-intelibuyer	Kupsch		Norma		
Product Type	White Granulated	Dried Cubes (Kg)	Dried Cubes Cube Pkg	Available All Formats	Available Granulated
Brand	Confiture	Fruco	Bonne		
Net Contents (Grams)	40.0	7.5	110.0	40.0	40.0
Package Type	White Plastic Jar	Paper Envelope	Jar Glass Unknown		
Height cm	8.0	7.6	17.6	8.0	8.0
Width cm (or diameter if cylindrical)	4.1	5.2	12.8	4.1	4.1
Depth cm (or diameter if cylindrical)	4.1	1.2	1.2	4.1	4.1
Shelf Space (Cubic Centimeters)	1,076	4,370	4,425	1,076	1,076
Price Local Currency (DM)	2.99 DM	2.99 DM	1.59 DM	2.99 DM	2.99 DM
Price in USD Retail per Package	$1.37	$0.91	$0.73	$1.37	$1.37
$/Kg	$13.73	$12.15	$6.47	$13.73	$13.73
Estimated 2000 Retailer Acquisition Contract Price					
US$/Package	$1.15	$0.77	$0.61	$1.15	$1.15
US$/Kg	$11.50	$12.80	$5.57	$11.50	$11.50
Estimated Packaging Specifications (reverse engineered)	White plastic 70mm wide container with flip top opening	Foil (Dimmed) backed sheets or (Dimmed) paper envelope	Foil (Dimmed) backed sheets cover (Dimmed) paper envelope		
Label Specifications	Single wrap around label with three spot colors printing on chromoboard.	Four color CMYK step printing on chromoboard sides or foil backed paper envelope.	Four color CMYK step printing on chromoboard sides or foil backed paper envelope.		
Product Specifications & Quality Evaluation	Granule size 2mm. (Offre good white color	Chip thickness 2-3 mm. Chip size variable from 1cm x 1.5cm to max 2.4cm x 1.2mm x 2mm. Good white 89%, light off coloured 5%, dark coloured 1%.	Chip thickness 2-3 mm. Chip size variable from min 2.1cm x 1.2cm to max 2.7cm x 1.2cm x 1mm. Good white 89%, light off coloured 5%, dark coloured 1%.		
Shelf Life (residual in months at POP)	43	13	13		

The acquisition price estimates by package size and type can give potential exporters a more refined idea of the quality and price relationships in the German market place and assist in developing concrete feasibility studies and export business plans. Retail chains do not release their actual acquisition contract pricing for public information. These estimates are based on SRD's best secondary information on retail to acquisition margins, applied to direct measurements of actual retail sales prices. They should be used only as preliminary indicators, and must be confirmed through actual market tests and direct negotiations with buyers.

b. Kupsch and Norma Packaging



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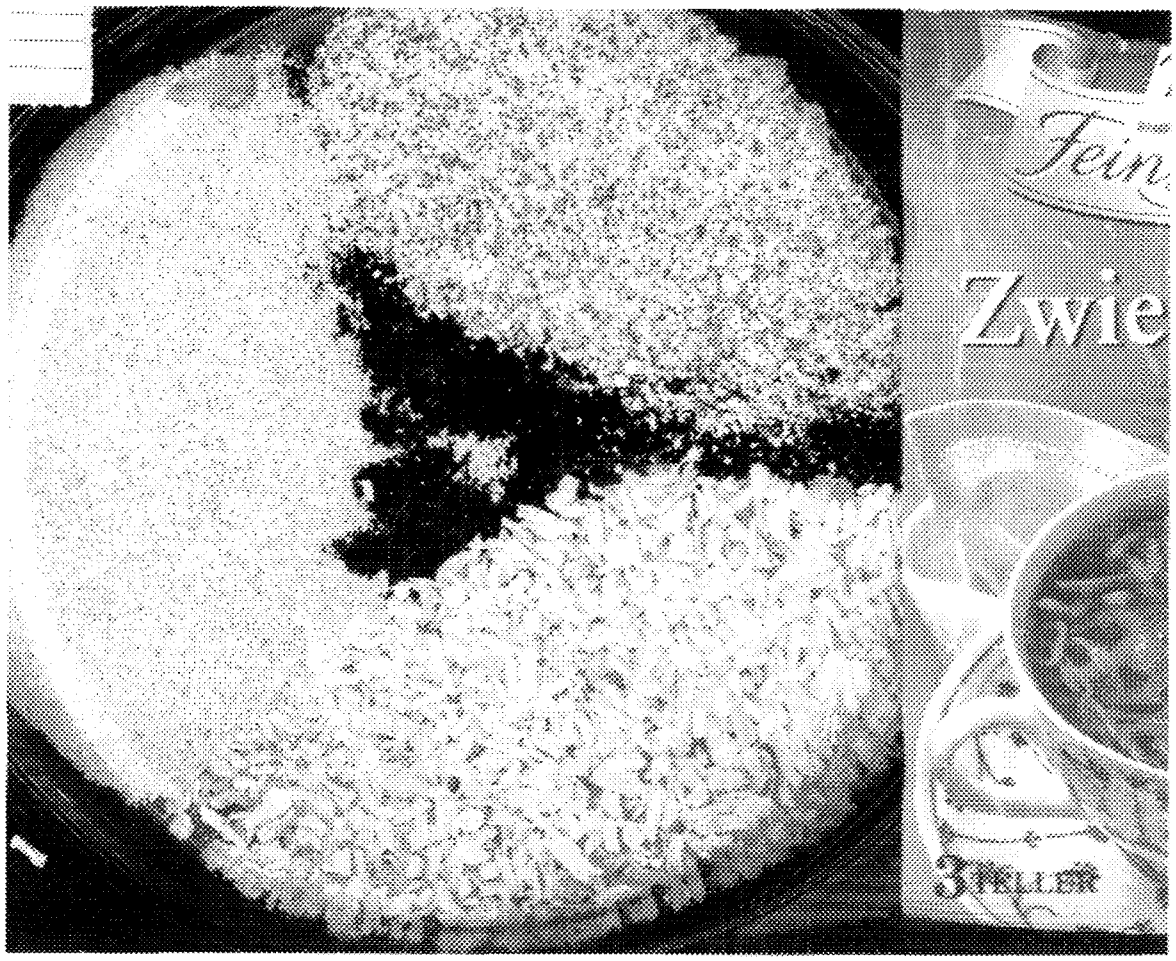
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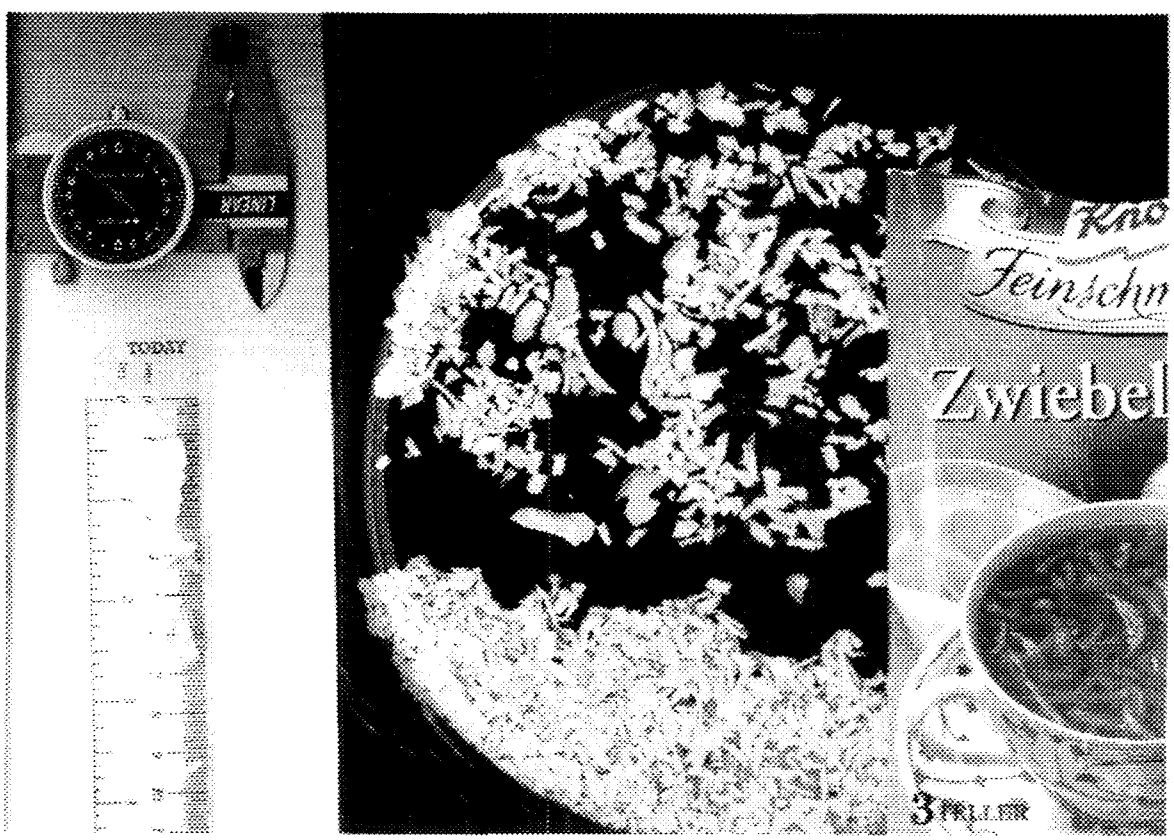
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