

U.S. FOODLINK

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AT-HOME COOKING CREATES DEMAND FOR SPECIALTY FOODS During Pandemic

The COVID-19 pandemic pressured many areas of the food industry, but specialty producers were gifted with a unique opportunity: keeping consumers' meals interesting and healthy during a year without indoor dining at restaurants. Specialty foods, particularly healthy or indulgent items, saw elevated sales during the pandemic as shoppers who couldn't dine out became more adventurous in their home cooking.

The Specialty Food Association's State of the Specialty Food Industry, 2020-2021 Edition laid out the top reasons consumers had for choosing specialty foods, including:

- Interesting or unusual flavors or varieties: 49%
- Superior quality compared to everyday items: 47%
- Simple, clean, recognizable ingredients: 45%
- Authentic ethnic flavors or varieties: 43%

The biggest boom for specialty foods was in March 2020, when shelves were stripped bare by shoppers preparing for the worst: sales jumped 41% year-over-year during that month, while conventional food sales rose 38%, according to stats presented by David Lockwood, Consulting Director at Mintel during a Specialty Food Association event in August 2020.

Sales quickly cooled down, but growth remained elevated. The increases in April were 20.7% for specialty foods and 21% for conventional groceries, according to Lockwood. The decline in foot traffic may have been the culprit — discovery is an integral part of the specialty food business, and shoppers were largely sticking to the basics.

"We've never been through anything like this," said Emilio Mignucci, VP of Culinary Pioneering at Di Bruno Bros.,

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At-Home Cooking Creates Demand for Specialty Foods *Continued*

on the impact of COVID-19 in spring 2020. “It’s a new challenge every day. This whole world of retail is changing. Right now, it’s about cash flow. Whittling down some of the inventory and bringing in the right products. I look at this pandemic as a bit of a reset. I believe we’ll come out of this stronger and more equipped to handle the surprises.”

Still, some classic specialty foods saw massive growth during the early parts of the pandemic. The categories with the largest sales growth in March 2020 were:

- Sauces: +127%
- Soup: +125%
- Entrees and mixes: +119%
- Baking mixes, ingredients and flour: 79%
- Sweeteners: 52%



Interest in home baking had a major impact on flour supplies: King Arthur blew through months’ worth of flour inventory in 10 days right as lockdowns started and consumers stocked up, according to Eater. King Arthur sold the equivalent of 23.7 million five-pound bags of flour in all of 2019; from April 1 to November 20, 2020, it sold 43.1 million bags. Overall sales of organic flours and baked goods grew by 30% in 2020, according to the Organic Trade Association.

Another specialty category that saw a pandemic-driven boost was jellies and jams, according to the Specialty Food Association. Retail sales reached \$270 million from 2017 through 2019 and were expected to rise even higher in 2020 due to the aforementioned increase in home cooking.

Organic foods in particular were popular during the height of the pandemic with total 2020 sales rising 12.8% to a record \$56.4 billion, accounting for nearly 6% of the

food sold in the U.S., according to the Organic Trade Association. Organic staples like black beans, flour and chicken broth flew off shelves.

“Good, healthy food has never been more important, and consumers have increasingly sought out the organic label,” said Laura Batcha, CEO and Executive Director of the Organic Trade Association. “Organic purchases have skyrocketed as shoppers choose high-quality organic to feed and nourish their families.”

Total sales of organic fruit and vegetables, including frozen, canned and dried products, were \$20.4 billion. More than 15% of the fruits and vegetables sold in the U.S. are now organic. Frozen and canned fruits and vegetables were particularly popular during the pandemic, experiencing

28% growth as shoppers looked for items that would limit their need to return to stores.

Meanwhile, organic “meal support” products like sauces and spices saw a growth rate of 31% as the condiment category reached \$2.4 billion. Spice sales in particular jumped 51%, more than triple the 15% growth rate seen in 2019.

These numbers could have been even higher, according to Angela Jagiello, Director of Education and Insights for the Organic Trade Association. Growth was limited by supply across all the organic categories measured, indicating a true hunger for organic options.

The major driver of organic was an elevated interest in health, a trend that was echoed by The Specialty Food Association in regard to other areas. The organization noted that 70% of shoppers who buy plant-based substitutes do so for reasons of health, and interest in stronger immune systems caused plant-based options to grow 300% to 400% year-over-year in March 2020. This momentum was expected to continue in the months following, though not at such a massive rate.

Even now, at the presumed tail end of the pandemic, the impact of months of lockdowns and at-home dining is being felt. The Specialty Food Association expects many of the trends it has been seeing to continue through this year, largely driven by the same pressures. It’ll still take months for shoppers to return to their old habits, and some of their newfound preferences may even prove permanent, and specialty foods will play a large role in keeping mealtimes interesting.

“COVID-19 has a massive impact on trend predictions heading into 2021, as consumers cook and eat at home more, turning to everyday meals and special treats to comfort and support their mental and physical well-being,” said Denise Purcell, Director of Content for the Specialty Food Association. “We’re seeing several trends around experimenting with flavors and ingredients, as well as turning to functional or plant-based foods and twists on classic products to avoid menu fatigue.”

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DENISE PURCELL, DIRECTOR OF CONTENT FOR THE SPECIALTY FOOD ASSOCIATION



Online Grocery Sales Hold Strong Even as Pandemic Wanes



Online grocery sales soared 300% during the early parts of the pandemic as lockdowns caused consumers to rethink their usual habits, according to data from FMI. Even though grocery stores were exempt as essential retailers, many people didn't want to risk the exposure of in-store shopping and many grocers had to adjust their operations.

This gave many consumers their first taste of online grocery ordering, and the habit has stuck: online grocery sales reached \$9.3 billion in March 2021, up 43% from the same period in 2020, according to the *Grocery Shopping Survey* by Brick Meets Click. However, the importance of a brick-and-mortar presence has held, as many shoppers now prefer to pick up their orders from a store rather than have it shipped home.

Nearly 70 million households placed an average of 2.8 online orders during March, according to the data. However, the number of ship-to-home orders (which use parcel services such as FedEx) fell 27% compared to March 2020, while the number of pickup orders grew 12%. Delivery orders, which are fulfilled by first- and third-party companies, grew 23%.

Grocers are getting better at fulfilling online orders, as well. Overall satisfaction scores for the online grocery shopping experience have increased significantly from pre-COVID levels thanks to retailers investing heavily in addressing issues and concerns.

Consumers may enjoy the convenience of ordering groceries, but they're also much more willing to visit stores to grab them. Curbside has become the most popular online ordering segment with a 53% share of monthly shoppers.

"A year since COVID-19 changed how we live, work and shop, online grocery demonstrates continued strength and impressive staying power," said David Bishop, Partner at Brick Meets Click. "The monthly active user base remains robust, average order values are at similarly elevated levels, and order frequency has gone up."

Interest in online grocery will likely remain strong. Coresight Research found that 3 out of 5 consumers now purchase groceries online, signaling that the practice has hit the mainstream. These shoppers are happy with the situation, with nearly half of respondents who started to buy online because of the pandemic saying they are "quite satisfied" with e-commerce service while another 30.7% are "very satisfied."



Featured U.S. Midwest & Northeast State Profiles



news briefs

Foods such as oat milk, kimchi, and Nashville chicken are surging in popularity. Other trends taking root with U.S. customers are oat milk and Korean barbecue, according to Kerry Group's 2021 Taste Trends Report.

Healthier plant-based meat options are on the rise. A new wave of companies, including Actual Veggies, Bolthouse Farms, and Dr. Praeger's, offer healthier vegan food products containing only whole ingredients, reported *Forbes*.

Grocery e-commerce spending increased by the eye-opening figure of \$26 billion in 2020. That 84% jump accounted for 9.5% of all U.S. food and beverage sales by year's end. That dollar share is anticipated to reach 12% by the end of 2021, according to a recent report from IRI and 210 analytics.



The future of fish farming may be on land. Bluehouse, for example, is launching a land-based fish farm near Miami that aims to produce 222,000 tons by 2031 – enough to provide 41% of current U.S. annual salmon consumption, reported *BBC News*.

The global dairy alternatives market is expected to reach \$52.58 billion by 2028. The rise in demand for plant-based alternatives and changing consumer diets utilizing milk alternatives are driving growth, according to a new report by Grand View Research.

Over a third of Americans have upped their coffee consumption amid the pandemic. Additionally, 73% are making coffee at home more often, according to new data from Tchibo. The study found that people spend the most money on coffee at the supermarket, followed by at coffee shops.

After the pandemic ends, 92% of families plan to continue eating together at home at least as often as they do now, if not more so. New research from CPG sales and marketing firm Acosta showed that eating together as a family will stay the same for 72% of all households, while 20% expect to eat together more frequently.

Better-for-you trends continue to shake up the dairy case with an expanding selection of plant-based alternatives. Some of the big areas include milk, yogurt and, more recently, ice cream. And then there's pudding, a sleepy category with relatively untapped health potential.

Organic sales rose to new highs in the U.S. during the pandemic year. The Organic Trade Association reported that sales jumped a record 12.4%, to nearly \$61.9 billion, the first time organic food and non-food products broke the \$60 billion mark.

Escalating food and grocery prices have many U.S. shoppers rethinking their loyalty to retailers and brands. In a survey of 1,000 adults by Inmar Intelligence, 89.7% saw prices increase for groceries and everyday household items they buy regularly and 68.4% chose to shop at a different store for those items due to the price hikes.



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Godshall's Quality Meats

Telford, Pennsylvania

Smokehouse Gold offers a wide variety of delicacies from an array of proteins. The company's primary focus is healthier recipes and turkey protein, including turkey bacon, sold across the U.S., that is notable for achieving 80% less fat than pork bacon (per USDA data), with 6 grams of protein per slice and the robust flavor of a real wood smokehouse.

Bacon is available in Wood Smoked Traditional recipe, Uncured All-Natural, and Maple Flavored. In addition, Smokehouse Gold offers Beef Bacon, dinner sized and mini sausages, and snack sticks, jerkies, and Turkey Bites, a softer, flavorful twist on traditional jerky recipes with no nitrites or nitrates and real all-natural flavors like Mango Sriracha, Teriyaki Pineapple, and Korean BBQ. We also offer Halal products including breakfast slices, sausages, pastramis and snacks.

Our three locations in Pennsylvania produce the finest quality meats, employing 4000 state of the art solar panels, water recycling and zero-landfill programs. Our modern, clean production facilities are SQF level 3 Certified and SQF Edition 8 certified for Food Safety and Quality. godshalls.com



Mrs. Pruitt's Gourmet CHA CHA

Detroit, Michigan

Founded in 2010, Fall Harvest Urban Farms, LLC launched their regional brand, Mrs. Pruitt's Gourmet CHA CHA in 2014; a family recipe dating back to the early 1830s. CHA CHA is a condiment, relish, sauce – an authentic southern cuisine with deeply rooted traditions of specific U.S. Southern regions. Ingredients include cabbage, green tomatoes and Mrs. Pruitt's blend of herbs and spices creating a burst of unforgettable, unique, pickled apple cider vinegar taste that comes in Mild, Hot, Motor City Heat, Turbo Heat and Super Charge flavors. A perfect addition to enhance and pump up the any meal's flavor. Awesome on hamburgers, hot dogs, veggie burgers, bratwurst, polish and Italian sausages, tacos, burritos, pulled pork, chicken, seafood, added to chicken salad, potato salad, tuna salad, pastas, meatloaf, on eggs with breakfast, rice and beans, on vegetables, micro-greens, salads, as a chip dip or with your favorite dish. A high-quality, value-added product, gourmet filled, gluten free and vegan. High in vitamins A and C and low in sodium.

New products launching soon include Mrs. Pruitt's Gourmet CHA CHA Seasoning (a blend of CHA CHA dehydrated vegetables) and Mrs. Pruitt's Gourmet CHA CHA Bar-B-Cue Sauce. Shelf stable for 12 months. mrspruittschacha.com



Small Batch Organics, LLC

Manchester Center, Vermont

Small Batch Organics is an artisanal healthy snack and granola company located in Vermont. At Small Batch Organics, we produce chocolate covered granola bark and granola cereal. All of our products are gluten free, certified organic and certified kosher. At Small Batch Organics, we pride ourselves in ingredient transparency and try when possible to buy our ingredients directly from farms and artisanal producers.

Granola bark is available in 2 oz. snack size or 8 oz. stand up pouch. Granola is available in a 12 oz stand up pouch. For more information and product details visit: smallbatchgranola.com



Crunchmaster

Loves Park, Illinois

The deliciously baked snack cracker consumers crave. Crunchmaster crackers pair perfectly with the active lifestyles of your consumers. They're packed with wholesome ingredients, free from gluten, artificial colors and flavors and many flavors are free of common allergens like eggs and dairy. Crunchmaster crackers are one of the top-selling brands of gluten-free crackers in North America.

Give your consumers the simple, satisfying snacks they're craving – with over 15 varieties to choose from, including Grain-Free! Crunchmaster.com



Missouri Northern Pecan Growers

Nevada, Missouri

Missouri Northern Pecan Growers is a farmer owned business. Organized by local farmers in 1999 with a vision of offering our unique wild pecan to consumers desiring superior taste and quality. Today, more than fifty local farmers supply us with pecans each year. We advise and assist the growers with organic compliance, building their soils and natural methods of pest control in order to produce top quality natural pecans. The same care is taken in our shelling facility to store, process and packaging the pecans to guaranty our customers receive pecans that taste like they came straight from the grove.

We offer both organic and non-organic pecan halves and pieces in bulk or prepackaged in various sizes. For those desiring a gluten free baking alternative, we offer pecan meal and flour as well. We also press our own natural pecan oil. It is cold pressed and unrefined. We bottle it in 8.5-ounce bottles or in bulk options. All our products are available in organic or non-organic. mopecans.com



Tanuk Inc.

Newton Highlands, Massachusetts

Meal Mantra is a line of authentic, all-natural dips, chutneys and curry simmer sauces, crafted in small batches with our heirloom family recipes from the creators of Tandoori Cuisine and simmered to perfection. Indian cuisine is renowned for its healthy options and flavors that elevate many vegetables, and even the humble legume, to an exalted gourmet experience.

Anu, Co-Founder of Meal Mantra, learned to appreciate the wonderful art of cooking at an early age when she would follow her grandfather Kundan Lal Gujral, (inventor of the Tandoori Cuisine) into the kitchens of the legendary Moti Mahal restaurant in India and lose track of time in the aromas, tastes and textures of food. mealmantra.com



Rip Van

New York, New York

Rip Van was started in a dorm room by friends Marco and Rip who believed delicious food did not have to be unhealthy. Our founders decided to create a healthier version of Rip's favorite childhood treat, the Dutch Stroopwafel. Rip Van is a minority certified business with a simple mission – to improve people's lives by inventing better convenient foods because we believe that you should not have to choose between healthy snacks and tasty snacks – you can have both! Our low sugar wafels are one of the most delicious, sweet snacks you can have, with just 3g of sugar per serving. Plus, every Rip Van is made with only all-natural and non-GMO ingredients.

Our low sugar wafels are packed with 6g of fiber making them the perfect snack to reach for throughout the day. Enjoy them straight out of the packet or try them the traditional way by placing them on top of a cup of steaming coffee for an extra melty, chewy bite! Sleek, pocket-sized, single serve packaging for easy portability throughout the day. With only 120 calories per wafel, Rip Van Wafels allow you to indulge nutritiously. Now you can enjoy tasty indulgent snacks without sacrificing your diet! Endurance athletes love our low sugar, high carb ratio to keep them training longer and stronger. ripvan.com

For more information about these or other Featured Products please email: FoodLink@foodexport.org.



Suan's, Inc.

Oklahoma City, Oklahoma

Suan's® focuses on capturing the rich, citrusy flavor of the Scotch Bonnet Pepper while containing the fiery heat of the pepper (one of the very hottest in the Habanera family with a Scoville rating from 150,000 to 300,000 units, compared to the Jalapeno at 15,000 Scoville Units). Suan's® products enhance flavors – not over-powering – giving your taste buds an unforgettable experience. Combining ingredients that complement each other, the line includes Scotch Bonnet Pepper Jelly, Pepper Relish, Sweet Tomato Jam, Pineapple Cinnamon Jam, Mango Lemon Fruit Butter, Onion Preserves and Jalapeno Pepper Relish.

The love of food and cooking has been a lifetime journey, continuing as Suan develops more recipes demonstrating how to use and enjoy the products. Whether Food Service, the Retail Market, Private Label, on their own or when enhancing your own recipes, Suan's brings unforgettable flavor. suansfoods.com

Upcoming Trade Shows

Featuring products from our U.S. Suppliers

July 27-30, 2021	Seoul Food & Hotel – Seoul, South Korea
Aug. 9-12, 2021	FI South America – Sao Paul, Brazil
Sept. 5-9, 2021	Fine Food Australia – Sydney, Australia
Sept. 7-9, 2021	Food & Hotel Vietnam – Ho Chi Minh City, Vietnam
Sept. 7-9, 2021	HOFEX – Hong Kong
October 6-9, 2021	Food Taipei – Taipei, Taiwan
October 8-13, 2021	ANUGA – Cologne, Germany
October 18-20, 2021	Expo ANTAD & Alimentaria – Guadalajara, Mexico
November 9-11, 2021	Food & Hotel China – Shanghai, China
November 23-25, 2021	VIV MEA – Abu Dhabi, United Arab Emirates
December 1-2, 2021	Food Tech Summit & Expo – Mexico City, Mexico



Wise Mouth Inc.

North Attleboro, Massachusetts

Wise Mouth Tea is a Massachusetts-based company established in 2016. After becoming a U.S. teacher, founder Lei Nichols noticed the unhealthy drinks her students were consuming and decided to do something about it. Today, Wise Mouth tea hopes to bring the benefits of ancient herbal remedies to the world.

Wise Mouth has two lines of seven hand-brewed, all-natural, ready-to-drink glass bottled teas. Both recipes are rooted in eastern ancient herbal traditions, with an added American twist. They are hand-brewed with fresh fruits, fresh ginger and herbs, real tea leaves, and flowers. All teas are 100% natural, with no concentrates, additives, preservatives, or any artificial ingredients.

The original line is sweetened with crystallized sugarcane and pure American honey. The new line is sweetened with organic monk fruit and the same honey. All sweeteners used in Wise Mouth teas are widely used in traditional herbal medicine. Each tea has different health benefits to suit a range of needs with an assortment of unique, delicious flavors. All the teas can be served hot or iced. wisemouthtea.com



Zolli Candy

Commerce Twp, Michigan

Delicious, Zero Sugar, Vegan, KETO, Allergy friendly, Non-GMO, Natural lollipops and candy that cleans your teeth. Loved by Kids. Approved by parents. Recommended by dentists and teachers. Alina Morse, Zolli Candy CEO and Teenpreneur is also a verified influencer. Zolli Candy is a woman-owned, cause-based company that contributes 10% of profits and millions of lollipops to support oral health and entrepreneurship education in schools. See Zolli Candy partnership with NBC Universal Dreamworks "Boss Baby." Items include: Zolli Pops, Zolli Ball Popz, Zolli Drops, Zaffi Taffy, Zolli Caramelz and Zolli PB Cups

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SAI Probiotics LLC

Maple Grove, Minnesota

SAI Probiotics LLC is committed to fusing the benefits of probiotics with special ingredients found in nature for an integrated, scientifically backed approach to promoting gut and immune health. Founder Akshaya Panda has been a key member of this industry for 17 years, instrumental in the growth of well-known companies in the probiotic space before he began his own venture to address a void he noticed in the market. As the probiotic industry becomes saturated with products that have higher bacterial counts and heftier price tags attempting to improve potency, SAI Probiotics is solving this problem in a smarter way. We source natural, well-researched, and time-tested ingredients to improve the efficacy of and synergize with the function of probiotics. This allows us to offer safe, affordable, and effective products that take a systems approach to improving not only gut, but overall health. We're proud to present, SAIPro Femme, the one-stop shop for women's health – fortified with eight potent probiotic strains clinically shown to improve vaginal health, prevent recurrent UTIs, curb fat accumulation, and strengthen gut health. Our product leverages the collaborative effect of these strains with turmeric curcumin, a powerful natural anti-inflammatory agent, and cranberry extract, a notable antioxidant. SAIPro Femme's potent mix of components tag-team to form a truly unique system unlike any other on the market. This product contains 20 Billion CFU/ serving in delayed-release veggie capsules, packaged in desiccant-lined CSP bottles for enhanced effectiveness and freshness. saiprobiotics.com



Vermont Tortilla Company

Shelbourne, Vermont

At the Vermont Tortilla Company, we celebrate the Mesoamerican heritage of the original tortilla, and we are proud to share the taste of tradition with you.

Every batch begins with a blend of locally sourced, certified organic corn, pure water and food-grade lime, also known as cal. This mixture is cooked patiently over a steady flame, then carefully washed, hulled and cooled. Nixtamalization unlocks the bioavailability of corn's essential nutrients, and also releases each kernel's rich, nutty aroma and buttery sweet flavor. Once nixtamalized, our organic corn is ground using natural volcanic stones to make masa, the soft golden dough from which our flavor-packed, uniquely pliable tortillas are born.

Every batch of Vermont Tortilla Company tortillas is bursting with authentic taste, alluring texture and clean, organic ingredients. But the secret to our recipe is rooted in our hardworking team and rich local ecosystem. We are dedicated to supporting our community by sourcing certified organic, sun-ripened corn from local farms; and by making mindful, environmentally responsible choices in our supply chain and production practices. vtortillaco.com

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