

# Hong Kong

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## Foreign Trade

U.S. products will continue to fare well due to relatively competitive prices and consumer confidence in the quality and safety of U.S. products. **Hong Kong maintained its position as one of the top markets for U.S. consumer ready food products in 2014**, as it continues to be a major buying center as well as transshipment point for China and Southeast Asia. U.S. exports of consumer oriented food products to Hong Kong reached a record level of over US\$3.4 billion in 2014, growth of 12% over 2013 and consolidating Hong Kong's position as the 4th largest market. Top U.S. exports of processed food products in 2014 included other processed foods; ingredients and beverages bases; wine; prepared/preserved beef; cooked and prepared shellfish; sausage casings and sausages; ginseng roots; dog and cat food; chocolate; and french fries.

These figures are all the more remarkable considering Hong Kong's population of 7.2 million living on roughly 423 square miles of land. The expansive growth was due to a number of factors, but increased re-export trade to China, an exchange rate advantage for U.S. products over competing countries' products, and economic growth were

major contributing factors that combined with the traditional advantages of a free market with practically no tariffs and generally reasonable regulations. Hong Kong is a mature and sophisticated market with a growing demand for gourmet foods. At the same time, most Hong Kong shoppers are price conscious consumers looking for "value for money" products. The continuous influx of tourists and capital contributed to the economic growth in Hong Kong. As a result, the demand for food imports continued to grow in 2014.

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- ◆ *Products with the highest sales potential in this sector include fish and seafood; fresh fruit;*
- ◆ *poultry; pork; processed fruit and*
- ◆ *vegetables; frozen beef; wine; tree*
- ◆ *nuts; fruit and vegetable juices; organic*
- ◆ *food; and beverages.*
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Hong Kong, like any other high potential export market is not without its own unique challenges. With inflation is on the rise in Hong Kong, the increase in food prices may cause some consumers to turn to lower-price, lower quality food products where U.S. products do not enjoy a strong competitive advantage. *With China as the number one competitor to the U.S., American food products are not always price competitive.* In addition, lengthy transportation time and unavailability of product due to seasonality (e.g. fresh produce) associated to importing U.S. food and beverage products to Hong Kong can make them less competitive than products available in the region or from China, Australia, and New Zealand (favorable in terms of location).

## ***We Are Here to Help***

*<http://www.foodexport.org>*

Exporting is an excellent way to increase sales. Without help, exporting is a complex business. Under the Food Export Association of the USA, a variety of programs and personal assistance with exporting is available. Everything is designed to help an interested company gain exporting knowledge and make it a smoother process. Thank you for expressing interest in exporting your Nebraska product.



### **Export Education**

Export Essentials Online: An educational introduction to the fundamentals and logistics of exporting. Through ten different modules, you will be guided through extensive information regarding your product and what exporting can do for your company.

### **Analyze Market Potential**

Market Builder: A customized package of services to help U.S. suppliers find the right market and buyer for their products through importer feedback on their products, competitive market research and importation analysis, distributor referrals and importer lists, and assistance with in-market meetings.

### **Export Assistance**

Food Export Helpline: A service which offers customized, one-on-one assistance on a wide variety of export-related topics. You'll speak with an industry expert who can help answer any questions such as, "Does my product have any potential in other countries?"

*"The representatives of Food Export-Midwest have always been a pleasure to work with and have been extremely helpful with any questions or claims that we have. Overall, this program has allowed us to expand our distribution coverage and increase sales over the past years." -Jennifer McDaniel of Premium Nutritional Products (August 2015)*

### **Enter New Markets**

Buyers Mission: Events that bring qualified, international buyers to the U.S. to meet face-to-face with U.S. producers. These events allow for potential business connections and feedback about a product's exporting future.

### **Trade Missions**

Food Show Plus: A tradeshow enhancement service that provides assistance to U.S. producers, aiding them in preparation for meetings with international buyers to create a more effective product presentation.

### **Increase Market Share**

The Branded Program: A program that helps your company, product, and brand gain exposure through international marketing. This program provides a 50% reimbursement of approved international marketing and promotion.

**For More Information Contact:**



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