

Canadian Snack Food Association

Quarterly Newsletter

Mark Your Calendars

- Sep 20–22, 2018
CSFA Conference
Hockley Valley, ON
- Mar 31–Apr 1,
2019 SNAXPO,
Orlando, Florida
- June 27–28,
2019 SNACKEX
2019 Barcelona,
Spain

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CSFA Day in Ottawa

Health Canada Roundtable on Current Issues Being Faced by the Snack Industry

A few Business and Associate Members of the Canadian Snack Food Association represented our industry on April 18th in Ottawa and met with Health Canada officials to gain insights on planned changes, discuss and provide feedback on challenges facing our industry, and shared insights on elements vital to our industry success.



CSFA Members attending Ottawa Day

We are proud of the relationship we have built with Dr. Yan and his team over the last few years and extremely fortunate to share direct communication with the Health Canada team. This open forum allows unguarded communication regarding proposed changes from Health Canada. Also, members are able to voice concerns and share information regarding both challenges and opportunities for future mutual benefit.

We thank “Dr. Will”, as named by Tony McGarvey, and his team for all their insights, their open communi-

cation, and their invitation to come meet in Ottawa.

In attendance were Dr. William Yan, Director, Bureau of Nutritional Sciences, Food Directorate; Charmaine Kuran, Section Head, Nutrition Composition; and Alfred Aziz, Chief of Nutrition Research and Standards Division.

The CSFA looks forward to future sessions as plans for F-O-P labelling, Nutritional Facts tables, Sodium or any other new research develops. We look forward to continued discussion and extend an invitation both to members that were notably absent and to new members that wish to take part in these discussions with Health Canada officials. This is an opportunity that should not be missed.

*Scott Kelemen
Sr. National Director Marketing and Product Management.
Old Dutch Foods Ltd.
CSFA Board Member*

Note from the President

I would like to start by welcoming our newest member, Malabar Super Spice Company Limited.

This quarter, the CSFA members have continued to be very active working with Health Canada. In April, we had a productive meeting with Dr. William Yan, Charmaine Kuran and Alfred Aziz to discuss the current issues being faced by our industry related to their initiatives.

In June, the CSFA received an

invitation and participated in Health Canada’s Front of Pack Labelling Technical Design Workshop.

In September, the 62nd CSFA Conference will once again unite suppliers, manufacturers, distributors and packagers from across the Canadian snack food industry.

Our annual conference presents an opportunity for members and friends of the association to gather and discuss issues and trends in

the industry, make new connections and strengthen old ones. This year’s conference promises to be exciting and information-packed, presenting endless opportunities while “*Times Are Changing*”.

I look forward to seeing you in September!

*Kent Hawkins
W.T. Hawkins Inc.
CSFA President*

McCormick Flavour Trends



dive into our world of flavour inspiration, and see how McCormick can make your snack tastier and your business better.

Sign up fast and easy at <http://www.mccormickflavoursolutions.ca/> today, and get ready for your first taste of a new world of knowledge.

*Lysang Lay
Marketing Manager
McCormick Canada*

Every year since 2000, the food industry has anticipated the release of the McCormick® Flavour Forecast™, the defining guide to the next wave of taste trends. Of course, in a dynamic field like ours, there's always more to every story and many other delicious stories to tell. Keep your snacking business ahead of the curve with an inside edge - the kind of edge you'll get with a free subscription

to our monthly newsletter, McCormick Flavour Trends.

Each month we explore trends in-depth, letting you know what's coming, and why you should care. Learn about our unique, innovative flavour and ingredient solutions for every food and beverage category, and how the McCormick team of flavour experts can help your business meet its specific needs. Go beyond the surface, take a deep



Canadian BBQ Trends

According to the Hearth, Patio & Barbecue Association (HPBA) 2017 survey, 80% of adults in Canada own at least one outdoor grill or smoker. That's 10% higher than in the U.S., a country synonymous with barbecuing. Clearly, BBQ is hot stuff for the Canadian food industry!

With the return of barbecue season we'll see an upswing in the sales of hamburger patties, sausage, steaks, kabobs, RTD cocktails, and all things related to BBQ and outdoor living.

What are Canadians putting on their grills? The overwhelming majority rank good old hamburgers at the top of the list - 90% to be exact. Burgers were closely followed by steaks, chicken, and hot dogs. Sausages rounded out the top five. Salmon was the top-ranked fish for grillers. Now that you know what food Canadians enjoy off the barbecue, let's talk flavour.

For a lot of people, good barbecue is all about flavour. Big flavours, bold flavours, in-your-face flavours. Let's start with the sauce. Barbecue sauces

come in seemingly infinite varieties, and every famous barbecue region has its signature blend. There's South Carolina Mustard Sauce, Kansas City-style Sauce, Chinese Char Siu, Montreal Steak Sauce — and the list goes on.

In Canada, studies show that the top flavour preferences are for combo sweet and sour sauces, and anything with a bit of heat. Sweet and sour sauces include Mississippi, Kansas City, and most maple-infused concoctions. A Hawaiian-style sauce, with pineapple, brown sugar, vinegar, and pumped up with cayenne would do the trick for both categories!

Intriguingly, 12% said they like exotic or tropical ingredients in their sauce. This opens up the chance to make some really cool (or hot!) concoctions.



Pass the [papaya pica sauce!](#)

For some, barbecuing harkens back to a simpler time when you didn't need to worry about what was in your food because you already knew. Maybe that's why there's plenty of room in this space for clean label and better-for-you products. A remarkable 48% of Canadian barbecue consumers bought natural and/or organic BBQ products in 2016.

What an opportunity to bolster your market appeal with premium, functional ingredients! Maybe ride the wave of Filipino cuisine with a fiery Adobo sauce made with choice capsi-cums, or a Japanese Apple BBQ sauce freshened up with oregano.

So what's the key to reaching Canadians where they live in the summer? Simple - tantalize their them with great, classic flavours done well, and elevate their taste experience by offering them a little something they haven't seen before.

To refine that vague recipe into your signature grilling product, talk to the barbecue flavour experts. Are you ready to thrill the grill?

Courtesy of McCormick Flavour Trends

Saturday Keynote Speaker—Shawn Kanungo

The 0 to 100 Effect: How to Navigate through Disruption

Since the dawn of civilization, when converging technologies go from scarcity to abundance, the world fundamentally changes.

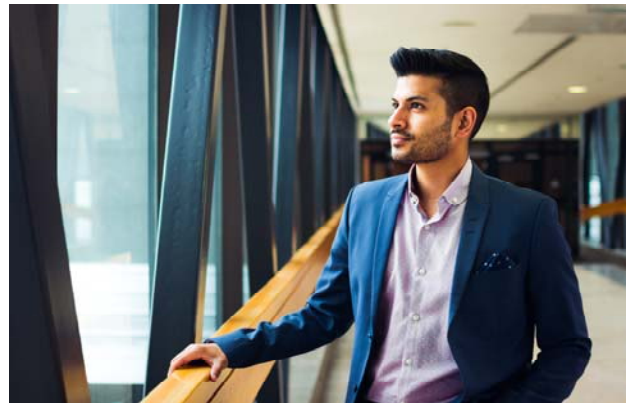
We always see an explosion in new challenges, new behaviours and new opportunities. The only difference is that today, technologies are on an exponential scale.

From doctors to AI-assisted health, banks to blockchain, retail to Amazon's Alexa, we will see the most chaotic era of commerce era.

To navigate through disruptive time, we need relentless leaders to make digital part of their core business.

In this session, you will:

- Understand how the convergence of exponential technologies are disrupting every industry.
- Learn why timing is the most critical aspect when it comes to dealing with disruption.
- Learn the secrets of how game-changing organizations exploit new problems.
- Learn how organizations successfully experiment with technologies and business models at the edges.



This is a Session you do not want to miss!

“Times Are Changing” September 20–22, 2018

THURSDAY, SEPTEMBER 20, 2018

4:00pm – 6:00pm

Board Meeting

7:00pm – 10:00pm

Welcome Reception and Dinner (jeans event)

FRIDAY, SEPTEMBER 21, 2018

7:30am – 10:00am

Breakfast Buffet

8:15 – 8:45am

Associate Member Meeting

9:00am – 10:30am

“What’s in Store – Trends influencing the Path to Purchase”

Carman Allison, VP Consumer Insight, Nielsen

10:30 – 10:45

Stretch Break

10:45am – 11:15am

Health Canada Food Directorate Update

Dr. William Yan, Director, Bureau of Nutritional Sciences, Food Directorate, Health Products and Food Branch, Health Canada

11:15 – 11:45pm

Canadian Food Inspection Agency Update

Kathy Twardek, Vice President of Policy and Programs



11:45 – 12:15pm

Q&A

12:15pm – 1:15pm

Lunch for Meeting Attendees

2:00 – 6:00pm

Optional Golf Tournament – 9 Hole Game

7:00pm – 11:00pm

President’s Dinner

SATURDAY, SEPTEMBER 22, 2018

7:30am – 10:00am

Breakfast Buffet

8:15am – 8:45am

Annual General Meeting

9:00am – 9:30am

Packaging “The Road Ahead”

Todd Chumley, Canadian Sales Manager, Genpak Flexible

SATURDAY, SEPTEMBER 22, 2018

9:30 – 10:15am

Contaminate Detection ... Measuring and Understanding the Risk

Doug Pedersen, Sales Director Canada, Sesotec Canada Ltd.

10:15 – 10:30am

Stretch Break

10:30am – 11:30am

ESA and SNAC International Report

Sebastian Emig, Director General, European Snacks Association;

Elizabeth Avery, President & Chief Executive Officer, SNAC International

11:30am – 12:15am

Potassium, Sodium and Nutritional Balance

Brian Boor, President & COO, NuTekFood Science

12:30pm – 1:30pm

Keynote Speaker — The 0 to 100 Effect: How to Navigate through Disruption

Shawn Kanungo

1:30pm – 3:00pm

BBQ Lunch

3:00pm

Departure

Health Canada FOP Technical Design Workshop

On Tuesday, June 12, 2018, nearly one hundred food packaging-related professionals convened in Ottawa for a full-day workshop to discuss Health Canada's Front of Package (FOP) labeling proposal to inform consumers of products high in saturated fat, sugars, or sodium.

As the event was by invitation only, I attended on behalf of the Canadian Snack Food Association. Among the attendees representing a wide variety of companies were brand managers, packaging managers and engineers, graphic designers, prepress operators, production managers and specialists, and even equipment manufacturers, all consulting and debating to find lowest common denominators of format, size, colour, placement, legibility, and printability of the proposed FOP label proposals.

If there was one central theme that all of the attendees seemed to rally around, it was *flexibility*. The common consensus from every facet of the packaging industry was that in order to accommodate FOP labelling and maintain brand standards/design intent, flexibility in placement position (including accommodation of seals, lids, tear-away openings, etc.), horizontal *or* vertical orientation, and variable buffer zones for claims proved to be top of mind. Additional concerns were voiced regarding seasonal items, often utilizing rather irregularly-shaped package structures with difficult-to-amend designs and having limited shelf presence.

Consistency was also championed, especially with regard to Nutrition Fact Table (NFT) rules. It was suggested that any

package that was exempt from NFT requirements should also be exempt from FOP requirements. Perhaps the most earnest suggestion was the request to integrate the FOP information into the NFT itself, thereby eliminating the need for intrusive front labelling altogether, keeping all nutritional information in one already familiar place. This request was met with resounding applause from industry attendees. Consistency in colour (or lack thereof) was a concern, and a desire for a black-and-white label rather than a coloured one seemed to be unanimous amongst the design-savvy folks protecting their brand equity, as well as those on the front lines of production and manufacturing attempting to mitigate the impact on logistics and efficiencies.

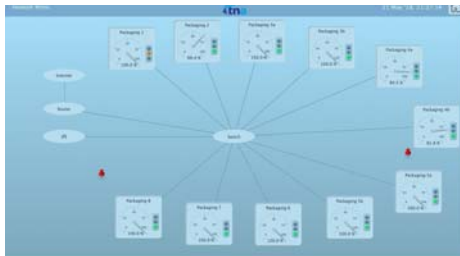
All in all, the workshop was a fantastic opportunity for food packaging-related professionals to exemplify and discuss some of the challenges they have been experiencing in trying to accommodate the FOP labelling proposal, to discuss potential solutions (or, at the very least, compromises), and to gain more exposure to all of the interdependent sides of the food packaging industry. It was equally important for Health Canada to hear industry concerns, get extended context around some of the challenges, and to continue to grow the relationship between regulator and regulated. Objective in intent, cooperative in practice, and constructive in closing, it was a very informative and encouraging day.

*Leonard Goins
Operations Manager
SGS Canada*



tna launches fully integrated data management tool to offer manufacturers ultimate visibility over all their production processes

tna has introduced the **tna intelli-sys^{IPS} 3**, a fully integrated, high-performance data collection and reporting tool to provide manufacturers with unprecedented insights into all their production processes. With the new [tna intelli-sys^{IPS} 3](#) software, food manufacturers will be able to use a single, standardised platform to collate, visualise and evaluate live and historical information from every part of the production chain and across multiple locations. By integrating data from every process and at every site in a single -plant management system, the **tna intelli-sys^{IPS} 3** increases visibility, reduces administrative tasks, optimises processes and improves traceability, resulting in a smarter, more transparent and ultimately more profitable manufacturing process.



Compatible with both PLC and PC-based technology, **tna's** integrated Production System (iPS) easily integrates with all existing **tna** and third party equipment. The **tna intelli-sys^{IPS} 3** is a scalable, transparent and cost-effective software that provides users with the ultimate visibility over every step of the



production line, either locally or remotely through a simple, user-friendly web-capable interface. Thanks to the system's real-time data acquisition capabilities, faults are detected much more quickly than humanly possible, ensuring downtime and waste are kept to an absolute minimum, while food safety and product quality are maintained at all times. The collation of detailed historical data, such as batch scheduling, tracking and tracing can be used for both internal communication purposes, but also as an external tool to prove regulatory compliance.

"Inefficiencies in the food processing industry are vast and can occur at every stage of the production cycle," comments Chris Jones, product manager - controls, **tna**. "A lot of times, these inefficiencies are caused by miscommunication between plant management and the production

floor. Our new **tna intelli-sys^{IPS} 3** is a huge step up in the evolution of real-time data management technology as it ensures that all departments have access



to the same set of data. The platform's unmatched ability to collect detailed, standardised and reliable data from every part of the production process provides advanced control over the entire work flow for a safer and more efficient production process, making it a real asset to any plant."

*Wiebke Thiel
Marketing Communications
Manager
tna solutions pty ltd.*

Malabar Super Spice Company Limited

Malabar Super Spice Company Limited was founded in 1982, as a distributor of spices and food ingredients, and manufacturer of seasonings with a focus on the meat and poultry industry. Malabar's success has been built on the winning combination of providing superior quality, outstanding customer service and expert technical food processing support. Malabar's seasoning recipe library contains over 2,000 formulas, and with its central location in Burlington, Ontario, is able to easily ship to its customers across Canada.

Malabar's President, Doris Valade, has been with the company since the beginning, and has led the company's growth into expanded markets that include bakery, snack, pet food and full meal food sectors. Doris has been recognized on many occasions by PROFIT/Canadian Business as one of Canada's Top 100 Female Entrepreneurs.

Malabar's corporate vision is based on "Teamwork makes the Dream Work". Product quality and food safety are equally paramount in its day to day operations. The company achieved its first BRC certification in 2014, and passed its 2018 audit with a grade of AA. In 2016, Malabar was proud to be awarded the Food Safety Excellence award by GFTC...

Staying on top of industry programs and issues is also important, and Malabar is an active member of the Canadian Spice Association, Canadian Meat Council, Ontario Independent Meat Processors Association, Food & Beverage Ontario and the Ontario Food Protection Association. We recently joined the Canadian Snack Food Association to provide us with the opportunity to better understand and support the snack food industry.

With a focus on innovation, Malabar continuously looks for supplier partnerships that bring global products to the Canadian market – this includes Nu-Tek Salt (USA), phosphates/antimicrobials from VanHees (Germany), gourmet liquid marinades from Raps (Germany) and collagen casings from Fibran (Spain). Local community support is part of Malabar's commitment to leadership, including local charities; The Carpenter Hospice and Children of Christmas Past. Malabar Super Spice is proud to be a wholly owned Canadian company that continues to grow in a variety of food sectors across Canada.



Quadra amongst the Best Workplaces™ in Canada for 2018!

This list is based on direct feedback from employees, provided as part of an extensive and anonymous survey about the workplace experience.

As a Platinum member of Canada's Best Managed Companies since 2003, and Great Place To Work™ in 2017, Quadra is a company for which our employees are proud to work. We are thrilled to be named Best Workplace™ 2018 and owe this tremendous achievement to our employees for their engagement in our growth and success. "I am very proud that Quadra has been recognized as a Great Place to Work™ and chosen as a Best Workplace 2018™. Instrumental to our success is our

exceptional team of dedicated employees" said Tony Infilise, CEO.

Quadra is committed to a great workplace culture and achieves this by creating an environment where our people can thrive and feel valued. Respecting the diverse backgrounds, talents and contributions of our people creates an open



and inclusive culture where employees with drive and passion can succeed.

About Great Place to Work®:

Great Place to Work® (www.greatplacetowork.ca) is the global authority on high-trust, high-performance workplace cultures. Through proprietary assessment tools, advisory services, and certification programs, Great Place to Work® recognizes the Best Workplaces™ across the world in a series of national lists including those published by The Globe & Mail in Canada and Fortune magazine in USA. Great Place to Work® provides the benchmarks, framework, and expertise needed to create, sustain, and recognize outstanding workplace cultures.

Follow Great Place to Work® at www.greatplacetowork.ca and on Twitter at

ESA Update

Europe is slowly moving towards the end of its political term and the usual paralysis is kicking in. Members of the European Parliament position themselves for re-election or for a term in their national countries. On the other side strategic internal discussions are taking place in the European Commission about staff rotation. In all this one might mean that it is calm times for organisations advocating for their interest in the Brussels bubble. In the paragraphs below, you can find that it is just the contrary.

Economic warfare or flexing the muscles?

Recent action from the Trump government to impose tariffs on steel and aluminium products originating from abroad didn't go unnoticed by the EU. The European Commission has launched a consultation on possible EU commercial retaliation measures; however, it wants to avoid or

minimise any negative impact on downstream industries, contracting authorities or entities, or final consumers within the EU.

Now that president Trump has installed the tariffs, the hands of the European Commission are forced to react and our members producing nut mixes are strongly affected with regards to the import of dried fruit – especially dried cranberries, of which 72% were imported from the US into the EU in 2016. This unjustified move – as tariffs were established years ago with different rates for different products; however, while aiming at an equilibrium between countries concerning trade balance – is bringing every party involved at the brink of a trade war and is a loss-loss for all sides.

European Commission unveils proposal to combat single use plastics

A proposal for a directive on the reduction of the impact of certain plastic products on the environment, unveiled by the Commission on 28 May 2018, is the first legislative proposal to emerge as part of the ambitious European Plastics Strategy, which was presented in January 2018.

The proposal suggests different approaches depending on the type of products - ranging from a total ban for cotton buds or beverage stirrers, the setting of national consumption reduction targets for food containers, to labelling requirements for sanitary towels and wet wipes. For products for which a sustainable alternative is not yet available, such as crisp packets or sweet wrappers, the proposal calls on member states to make producers pay for the costs of collection, transport and treatment as well as the cost of awareness raising measures,

notably through 'extended producer responsibility' schemes.

The proposal will be now transmitted to the European Parliament and the EU Council for review, with adoption anticipated by the end of the current legislature in May 2019.

ESA goes live on Twitter soon

We are pleased to announce that as of now you are able to follow us live on Twitter! Having done a thorough SWOT analysis of social media use for sector associations in Brussels, the Board has decided that ESA should become a vivid member in the social media sphere. In the run-up to our Share-A-Snack event in front of the European Parliament on 28 June, we took the plunge and chirped our first tweets under @ESA_Snacks. Follow, like and retweet!

*Sebastian Emig
Director General
European Snacks Association*

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The Canadian Snack Food Association (CSFA) is a non-profit, national industry organization representing **Business Members** (manufacturers and distributors of all types of snack foods) and **Associate Members** (Canadian and U.S. suppliers to the industry).

Our mission is to provide leadership for sustained growth and be the recognized association in Canada, of all business and industry related to all snack foods.

CSFA represents the interests of manufacturers and distributors of all types of snack foods in Canada. Business Membership includes manufacturers / distributors of snack crackers, baked snacks, potato or vegetable thins, portion packs, snacks to go, cookies, snack cakes, granola / cereal bars, as well as potato chips, pretzels, tortilla chips, extruded snacks, nuts and popcorn et al.

For Membership information contact Ileana Lima at ileanaL@4reflections.com or (289) 997-1379

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