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Italy

Retail Food Sector Report

2003

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Report Highlights: Italy’s retail food sector continues to be a blend of tradition and modernity, while still expanding at a much slower pace than other European nations. Italian consumers are conservative, discerning and selective, seeking quality, food safety, exclusivity and diversity in food products. Italians enjoy their food and have the disposable income to spend on it.

Includes PSD Changes: No
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Section 1. The Italian Market Overview

Macro Economic Situaiton & Key Demographic Trends

Despite the recent strains on the economy, Italy remains one of the most affluent nations in Europe, with a GDP of $1.1 trillion and per capita income of $18,600. Population growth is nearly stagnant with increased immigration offsetting a negative birth rate among Italians. The leading foreign community in Italy remains the Moroccans, followed by Albanians, Romanians, Philippinos and Americans.

The Italian peninsula varies climatically, geographically, culturally, and economically between north and south. For example, per capita income in the north approaches $23,000, whereas the $12,000 per capita income in the south (below Naples) is almost one-half of that of the north. Also contrary to trends across Europe, the majority of Italians continue to live in small cities and towns. The combined population of Italy's three largest cities-- Rome, Milan, and Naples-- accounts for 10 million or 5.8 percent of the Italian population. Markets are therefore, diffuse and relatively small scale, but often lucrative.

Main Types of Households
Households (% of total population)- Source: ISTAT 2002

Couples with Children	Singles	Couples without Children	Single parents	Others
45 percent	23 percent	20 percent	9 percent	3 percent

In Italy there are 22.2 million households, with an average of 2.6 persons per household. Over the last few years, the Italian population growth rate has slowed down, with the latest forecast showing a much higher death rate than birth rate. The Italian population is forecast to drop to 52 million by 2050. While Italians are living longer, they are also having fewer children and getting married in their late twenties to early thirties.

Only 34 percent of women work outside the home, (the lowest rate of any OECD country). Women are slowly entering the workforce, and this has affected childbirth. During the 1960's the average number of children per family was 2.41, the figure has now dropped to 1.20 children per family.

In contrast to the shrinking family is the rise of a dynamic singles community. Singles now have a much more visible role in Italian society. Unlike before, there are many more young people venturing out from their family homes and living on their own, especially in the northern industrial cities. Singles are also starting to be recognized for their buying power as retail outlets have started to cater to their needs by offering single portion, ready made food products.

According to the Italian Ministry of Interior, 70% of the Italian population lives in urban city centers. Although highly urbanized, the Italian population is widely dispersed between several medium and small cities. Italy's three largest cities – Rome, Milan, and Naples are home to less than 5 million people, 10 percent of the total population. This is an important factor to keep in mind when entering the Italian retail sector. There are many potential cities through which a company or product may access Italian consumers.

Consumption and Expenditures

According to ISTAT, in 2002 total food consumption in Italy totaled 116 billion EUROS, (a 3.7% increase), of which 55.6 billion EUROS were spent outside of the home (a 4% increase). ISTAT also reports that 32% of Italian food expenditures were spent outside of the home, while 68% were consumed at home.

Following is a list of the most commonly purchased food products and their increase/decrease of consumption for 2001-2002 according to ISTAT:

Bread and pasta	+ 2.5%
Milk, Eggs and Cheese	+ 1.3%
Oil and Fats	+ 1.1%
Mineral Water, Fruit Drinks and Soda	+ 2.4%
Meat Products	+ 0.2%
Sugar and Sweets	- 4.0%
Fruit	- 1.8%

Italians are very "quality" conscious when it comes to purchasing their food. There seems to be a general preference towards fresh products and going shopping every day is a part of life in Italian society. Following are key elements necessary when defining "quality" food for Italians:

- Food safety and trace-ability
- Healthy
- Artisanal
- Regional cuisine
- Flavorful and tasty
- Visually pleasing resentation and packaging

An overall shift toward healthy living has led to a rise in demand for light or dietetic products. Interest in organic food is increasing, and according to a study by MINTEL Italians and Europeans in general are willing to pay the 30-50% extra in the belief that “organic products are better than the standard. Sales in organic are still considerably low but there is potential. The demand for fish and seafood products, believed to be a healthy, low-fat option to meat, has flourished in Italy. Furthermore, Italians acknowledge the importance of breakfast and snacking in the diet, attracting them to innovative and convenient products in the health and processed food sectors.

Italians believe that frozen foods can be equally as nutritious as fresh food, and value its easy storage and use. As a result, the frozen foods industry is expected to grow significantly. The majority of retail sales of frozen ready meals are for frozen pizza, followed by pasta-based, fish-based and vegetable-based meals.

As retailers continue to offer a wide variety of frozen food products, sales of frozen foods are forecasted to reach $2.2 billion in 2005--a 43% jump from 2000. The preference for frozen foods over canned foods has limited canned foods to a marginal growth. The market value of canned food in 2001 was approximately $1.5 billion and is expected to reach only $1.6 billion by 2005. Products representing significant sales in the canned food industry include fish and seafood, meat and meat products, tomatoes and beans. Tuna accounts for the majority--87%--of canned fish and seafood products.

In 2002, the Italian cereal market was valued at an estimated $204 million. The cereal market is divided into two categories: hot cereals and ready-to-eat cereal, with the latter accounting for 98.8% of the market. Current advertisements promoting cereal products as healthy snack alternatives may lead to increased demand for cereal products. Steady growth in the cereal industry if this pace continues is expected to increase market value to approximately $248 million in 2006--close to a 22% increase over 2002.

Average Monthly Consumption by Household Type/Category - Source: ISTAT, 2002

	Food	Clothing	Housing	Transport	Leisure	Other
Single under 35	13.2%	7.5%	33.2%	19.5%	7.2%	19.4%
Single 35-64	16.0%	5.8%	37.3%	17.7%	6.4%	16.8%
Single over 65	21.6%	4.2%	47.8%	7.6%	4.1%	14.7%
Couple w/out children under 35	13.8%	6.7%	35.5%	20.1%	6.0%	17.9%
Couple w/out children 35-64	17.1%	6.0%	36.6%	18.0%	5.4%	16.9%
Couple w/out children over 64	22.2%	4.8%	41.4%	12.3%	4.0%	15.3%
Couple w/1 child	17.8%	6.8%	32.5%	18.9%	6.7%	17.3%
Couple w/2 children	18.4%	7.8%	30.2%	20.0%	7.9%	15.7%
Couple w/3 or more children	21.2%	8.2%	28.2%	19.1%	8.1%	15.2%
Single parent	19.3%	6.6%	34.0%	17.0%	7.4%	15.7%

Average Monthly Household Consumption Expenditures (converted to U.S. $)
Source: ISTAT, 2002

Single under 35	$1,747	**Couple w/out children over 64**	$1,625
Single 35-64	$1,627	**Couple with 1 child**	$2,515
Single over 64	$1,058	**Couple with 2 children**	$2,698
Couple w/out children under 35	$2,380	**Couple with 3 or more children**	$2,650
Couple w/out children 35-64	$2,258	**Single parent**	$1,979

The ongoing socio-economic and demographic changes in Italy have had an impact on consumer spending. Italians are spending more money on consumer goods and have started to eat more outside the home on a regular basis. Eating habits have certainly evolved during the past 40 years. While the Mediterranean diet remains king, Italians have discovered through their increased world traveling the so-called exotic/ethnic foods.

Food Consumed Outside of the Home
Source: Food Industria 2002

	2001 Total Food Purchases $ billions	**2000-2001**
Second Course	12.5	1% increase
Snacks	5.5	4% increase
Drinks	4.6	2% increase
Breakfast Foods	3.0	2% decrease
Sauces and Condiments	2.4	1% decrease
First Course	2.0	no change
Bread and crackers	1.0	no change
Hot Drinks	1.0	no change
Side Dishes - vegetables	.9	no change
Other	.7	1% increase
Desserts	.6	no change
Baby Food	.5	no change
TOTAL	34.7	7% increase

Italians have access to a broad range of fresh foods due to their national wealth of horticultural production. This contributes to their fairly traditional food habits. While the per capita volume figures paint a picture of a fish and vegetable hungry Mediterranean nation, the per capita value figures also point to a group of health conscious, modern consumers willing to pay a premium for quality food products. In fact, Italy is only second to Portugal when it comes to per capita spending on food. The recent economic down turn has however, started to put a damper on luxury food sales and visits to expensive restaurants.

American-style fast food chains, buffets, and salad bars are gaining popularity in the Italian market. This move towards more convenient dining has led Italian importers to seek out U.S. food products adapted to self-service eateries. Many bars, restaurants and food service companies also are seeking foods that microwave easily. While home use of microwaves is still low, microwave sales are increasing. Families with two working parents rely more and more on microwaves to reheat food and prepare frozen foods. Microwaves are present in most small food shops to reheat baked goods such as pizza or roasted chicken.

Italians are consuming increasing quantities of breakfast cereals, organic foods and snack foods. The Italian youth market is especially interested in lifestyle foods such as American beer and salted snacks. American type packaging is perceived as being trendy and consumer friendly. American food does well in the Italian market, including in the increasingly popular sushi bars. U.S. exports of bulk and packaged dried fruits and nuts have consistently sold well in Italy.

Distribution of Total Food Purchases and Consumption 2001
Source: AGRA, Food Distribution in Italy

Supermarkets	29 %
Traditional Mom + Pop	15 %
Restaurants	14 %
Mini Markets	11 %
Hypermarkets	10 %
Pizza Parlors	8 %
Other	5 %
Bar *	4 %
Cafeteria	2 %
Self Service	1 %
Fast Food	1 %
Total	100 %

* A bar in Italy is a retail establishment that mainly serves coffee, tea, and dairy products.

Section 2. Road Map for Market Entry

Italians have started to shift towards the growing number of medium to large retail food outlets, as the consumer is becoming more price and quality conscious. Italians are showing a preference towards retail outlets that are able to offer more services, a wider selection and cheaper prices. Private labels are slowly appearing on the store shelves, however, Italy cannot be compared to the French or U.S. retail sector, but instead offers its own unique retail model.

The north/south fragmentation within the Italian retail sector is very evident. AcNielsen reports that in 2002 there were 7,000 food retail stores in Italy. 53% of Italy's supermarkets are located in the North of the country, 20% in the center and 27% in the south. The north of Italy continues to have the largest number of hypermarkets, shopping malls and large supermarkets, which cater to the more prosperous regions of the country, while the south lags behind with fewer large retail outlets and an underdeveloped distribution network.

Supermarket/Population Ratio:

North = one supermarket/every 7,547 inhabitants
Center = one supermarket/every 8,584 inhabitants
South = one supermarket/every 12,337 inhabitants

Historically, none of the Italian grocery store chains had national coverage, spanning from north to south, but a few years ago Rinascente and Gruppo GS through foreign joint ventures with Auchan and Carrefour broke the mold by starting to expand to the south. Several other large foreign retail groups are now interested in expanding their presence in the Italian market. Italy does not yet have Walmart, but it may be just a matter of time.

Retail Definition

Source: Italian legislation and the Ministry of Industry and Commerce, 2003

Hypermarket - is a very large establishment engaged in retailing various types of food and non-food necessities within a structure of 2,500 to 10,000 square meters of space.

Supermarket - is a medium to large establishment engaged in retailing mainly food items within a structure of 400 to 2,500 square meters of space. A supermarket can also offer a self-service type of format, and be linked to a department store.

Discount - is an establishment mainly engaged in retailing private and unbranded labels at a discount price, within a structure that can range from 300 to 1,000 square meters of space.

Mini-Market (Superette) - is an establishment engaged in retailing food and non-food necessities within a structure that can range from 200 to 399 square meters of space.

Self-Service - is a small establishment engaged in retailing food necessities without the assistance of personnel within a structure that can range from 100 to 399 square meters of space.

Traditional Mom + Pop - are privately owned small establishments engaged in retailing food and some non-food necessities within a structure of less than 100 square meters of space.

2001 /sales - Italian Modern Retail Food Distribution

Type of Store	**Sales (Billion Euro)**	**% of the Total**
Supermarket	45.774.5	64.3
Department Store	6.611.5	9.3
Hypermarket	18.753.9	26.4
Total	71.139.9	100.0

Source: Largo Consumo 2003

Retail Structure

The Retail store structure is divided into three distinct sectors:

1. Non-Food Products
2. Fresh Food Products
3. Grocery Food Products

The Fresh Food Products sector includes:

Gastronomy – prepared food
Dairy
Frozen Products
Bakery
Confectionary
Fruits and Vegetables
Fish and Seafood
Meats

The Grocery Food sector includes:
Beverage
Sweets
Salted

Foreign Retail Distribution in Italy

Source: AGRA, Food Distribution in Italy, 2002

Foreign Group	Italian Company	Brands	Sales
Carrefour	Carrefour Italia	37 Carrefour hypermarkets 301 GS supermarkets	5.57 billion EURO
Auchan	Gruppo Rinascente Auchan	37 Auchan hypermarkets 657 SMA supermarkets	5.75 billion EURO
Rewe	Standa	75 Billa supermarkets 94 Standa supermarkets 26 Superstores 2 hypermarkets	1.14 billion EURO
Spar Austria	Aspiag	N/A	.8 billion EURO
Lidl	N/A	N/A	.5 billion EURO

The Italian retail sector is relatively underdeveloped and expanding at a slower pace compared to northern European countries. Italians maintain a strong preference for their traditional grocer, with local mom and pop establishments still accounting for an important segment of the retail sector. The Italian consumer is also extremely discerning, contributing to a strong quality-gourmet food sector.

Worthy of mention are the numerous buying groups that play a major role in the Italian retail food sector. Retailers differ from the buying groups in that they own their stores or operations.

Major Buying Groups

Insieme CMS was created in 1998 as a merging of three major buying groups - C3, MDO and SISA.

Garosci, Gruppo Lombardini and Gruppo PAM were founded by Intermedia in 1989. In 1994, SUN joined the group, while in 1996 Garosci departed. Dixetal recently joined Intermedia completing the buying groups' mix.

Interdis was born from the merge of Vege and Selex in 1998, and in 1999 La centrale joined the group. Interdis include Maxi Sidis, Sidis, Scudo, Standa, Eurospin, Sosty, and Quali supermarkets.

Sirio was initially created in 1998 with the merging of two independent buying groups, Crai and Sigma. In 2001, Crai broke away from Sirio creating their own purchasing group called Secom.

Italia Distribuzione ranks as the leading retail buyer/importer in Italy, followed by Intermedia, ESD, Carrefour, and Mecades.

Major Buying Groups in Italy	Stores	Percentage of the Market for Grocery/Food Purchases
Italia Distribuzione	Coop Italia, Conad	18.9
Intermedia	Auchan-La Rinascente, Gruppo Pam, Sun, Lombardini, Bennet	12.4
ESD Italia	Esselunga, Selex, Agora', Network, Iperal, Sogegross, Seven	11.3
Carrefour	Carrefour Italia, Gruppo GS, Finiper, Unes, Il Gigante, Algro	
Mecades (excluding Metro)	Sintesi, Sisa, Interdis	9.9
Sirio	Sirio, Sigma, Pick up, Secom, Crai	3.9
MDO		2.9
Rewe		1.8
C3		1.3
Others		27.4
Total		

Source: Il Sole 24 Ore-AcNielsen, Largo Consumo 2003

Italian Importers, Wholesalers and Retailers

Italian importers are usually small to medium-sized companies, rather than the large, market-dominating varieties found in northern Europe. Consequently, these companies import on a smaller scale and usually in a broader range than their much larger European counterparts. Most imported food products enter the Italian market through brokers or specialized traders. Price is an increasingly important basis for import purchases, although quality and novelty alone does move some products. Imported products from North America often enter Italy indirectly from the Netherlands' Port of Rotterdam or directly via air.

Wholesalers are the main customers for fish and seafood products, as they purchase and distribute products to consumers through supermarkets, hypermarkets, local fish shops, restaurants, and fishmongers and fish processors. In Italy there are over 1000 fish wholesalers--100 of which are considered to be importers.

Processed food is primarily distributed through retail grocers, convenience stores and discount grocers. The number of wholesalers for processed foods has decreased as supermarket chains take on the purchasing responsibility. Key local distribution chains and supermarkets in Italy include COOP Italy, CONAD, La Rinascente and Gruppo COIN--each maintaining their market share through mergers and alliances. For example, in 2001, La Rinascente entered a joint venture with France's Auchan to be the first grocery chain to offer national coverage. Together, they plan to open 120 superettes, 50 local traditional stores and six supermarkets by 2009.

Leading Retail Buyers and Market Share
Source: Information Resources, Largo Consumo, 2003

Name of Retail Buyer	Market Share
COOP Italia	17.1%
Carrefour	11.1%
Conad	9.9%
Rinascente / Auchan	9.1%
Esselunga	7.7%
Interdis	6.5%
Selex	5.5 %
Pam	3.4 %
Sisa	3.4 %
MDO	3.4 %
Finiper	3.2 %

Led by a series of important foreign retail corporations, the strengthening and consolidation of the Italian retail sector is evident. While key domestic players such as COOP Italia, CONAD, La Rinascente and Gruppo COIN have been busy holding onto their market share through mergers and corporate alliances, foreign retailers like Marbert, Carrefour, Auchan, Promodes and Sephora have been aggressively expanding into the market during the last few years. Smaller retailers, such as Despar Italia, have been less active and may have to create their own alliances to remain competitive.

In 2002/2003 there were several noteworthy mergers and acquisitions in the food retail sector:

From	To	Type of Operation	Details
Gruppo Luciani (GS Franchisers with 16 supermarkets and 6 grocery stores)	Carrefour	Acquisition	Carrefour bought 40% of the Luciani group
Intermarche'	Carrefour	Acquisition	Carrefour purchased 5 of their grocery stores in the Lazio region
MIDA 3	Megamark	Acquisition	Megamark purchased 356 MIDA 3 grocery stores located in southern Italy
Disco Verde	Carrefour	Agreement	7 of the stores in the Puglia region will be GS franchises
MDO	Agora'	Transfer	35 MDO stores will now be part of Agora'
Crai	Interdis	Transfer	320 Crai stores will now be part of Interdis
MDO	Crai	Transfer	6 MDO stores and 20 franchises will now be part of Crai
Sermark	Iperal (Agora')	Acquisition	1 Sermark hypermarket and 6 supermarkets will now be part of Iperal
Amort	Poli (Agora')	Acquisition	Poli bought out Amort
Midis	Carrefour	Acquisition	Carrefour purchased Midis 32 stores renaming them DiperDi'

Source: GDO Week, February 2003

Leading Retailers in Italy - Source: AGRA, 2002

Retailer	Operations	No. Outlets
COOP (IT)	Co-operative	685
CONAD (IT)	Multiple grocer	1211
Rinascente/Auchan (IT/FR)	Multiple Grocer	387
Carrefour (FR)	Multiple Grocer	435
Esselunga (IT)	Multiple Grocer	114
Despar (IT)	SPAR Food Group	356
Gruppo PAM (IT)	Multiple Grocer	135
Gruppo Lombardini (IT)	Multiple Grocer	132
Il Gigante	Multiple Grocer	23
Unes + Finiper	Multiple Discounter	100
Bennet	Intermedia Group	35
Sun	Intermedia Group	130
Selex	Multiple Grocer	628
Agora	Multiple Grocer	64
Interdis	Multiple Grocer	556
Sisa	Multiple Grocer	488
Sigma	Multiple Grocer	418
Pick Up	Multiple Discounter	144
MDO	Multiple Grocer	495
Billa + Standa	Multiple Grocer	212
C3	Multiple Discounter	183

In order to stay competitive in the Italian retail sector, stores must offer at least the following:

Price
Assortment
New Formats
Increase of service and quality of assistance
Develop unique product lines
Increase level of food quality and safety
Increase presence of local and regional food products

Retail Sector Strengths and Weakness

Advantages	**Challenges**
Italians are traveling more, becoming aware of foreign cuisines.	Competition in the Italian food market is fierce and many consumers still have a preference for traditional Italian products.
Italy is a member of the Euro zone, which eases market entry.	U.S. exporters must conform to often-difficult Italian/European standards and regulations.
Strong interest towards new and innovative products, especially in the health, specialty and ethnic food categories.	Recent food scares have made some Italian Consumers wary of the unfamiliar.

Section 3. Competition

With the insurgence of foreign retail companies into the market, the sector has become more sophisticated and is expected to expand more rapidly. Large distribution chains and supermarkets not only offer a varied selection of food products, but are also promoting their own private label brands. Companies like ESSELUNGA, COOP Italia, CONAD and Unes are all using their private brand lines as a way to promote organic, GMO free, and other specialized niche products.

Tables and Statistics

Key Trade and Demographic Information
Italy 2002

Agricultural, Fish and Forestry Imports from the World 26,908,740 ($1000)	U.S. Market Share: 0.21
Consumer Food Imports from the World 10,935,290 ($1000)	U.S. Market Share: 0.04
Edible Fishery Imports from the World 2,808,050 ($1000)	U.S. Market Share: 0.08
Population: 57,998,353 (July 2003 est.)	Population Growth rate: 0.11% (2003 est.)
Major City Centers: (13) Rome, Milan, Naples, Turin, Palermo, Genoa, Bologna, Florence, Catania, Bari, Venice, Messina and Verona	Total Rural Population: 48 Million
Gross National Product 2002: $1.1 Trillion USED	Per Capita Income: $18,600
Unemployment Rate: 8.8 percent	Percentage of Female Population Employed: 38%
Exchange Rate: EURO to US Dollar September 2002 to September 2003 Min = 0.9735 (18 Oct 2002) to a Max = 1.1901 (27 May 2003) Source: European Central Bank	The Average EURO to US Dollar exchange rate for 2002 was 0.967

Source: FAS' Global Agricultural Trade System using data from the United Nations Statistical Office

Imports and Exports

U.S. Imports of Agricultural, Fish and Forestry from Italy (1998-2002)
Source: U.S. Census Data, 2003 (in thousands of dollars)

Billions $	1998	1999	2000	2001	2002
Agricultural Products	721,990	560,264	558,571	508,888	555,550
Agricultural, Fish & Forestry	1,019,094	969,283	807,495	817,374	727,597

Leading U.S. Agricultural Exports to Italy in 2002 ($1000)
Source: U.S. Bico Report

Wheat	**$117 million**
Soybeans	**$ 87 million**
Hardwood Lumber	**$ 82 million**
Hides and Skins	**$ 80 million**
Tree nuts	**$ 59 million**
Fish and Seafood	**$ 47 million**
Lobster	**$ 37 million**

Source: U.S. Department of Commerce

U.S. Imports of Agricultural, Fish and Forestry from Italy (1998-2002)
Source: U.S. Census Data, 2003 (in thousands of dollars)

Billions $	1998	1999	2000	2001	2002
Agricultural Products	1,354,693	1,430,053	1,564,888	1,531,424	1,724,053
Agricultural, Fish & Forestry	1,453,871	1,538,696	1,691,147	1,644,209	1,834,360

Section 4. Best Products Prospects

A. U.S. products in the Italian market that have good sales potential:

Wild salmon from Alaska
Wines
Dried plums
Tree nuts
Wheat
TexMex and other ethnic foods
Dried beans and lentils

B. Products not present in significant quantities but which have good sales potential:

Processed fruit juice
Cake mixes
Dressings and sauces/condiments
Beer
Snacks
Lobsters and scallops
Chocolate

C. Products not present because they face significant trade barriers:

Beef
Cheese
Poultry

Best Products Prospects

U.S. bulk and intermediate commodities are used as ingredients or inputs for value-added products re-exported and sold globally. This is particularly true for wheat and forest products, among the largest U.S. agricultural exports to Italy. Italian wheat imports from the U.S. primarily consist of high-quality durum wheat used to produce pasta. In 2002, durum wheat imports from the United States totaled $51 million. In 2003, unfavorable weather conditions and reduced plantings are expected to push Italian wheat imports even higher. These factors, in addition to the depreciation of the dollar and growing Italian pasta exports, could benefit U.S. wheat exporters.

Italy is the world's fifth largest importer of seafood products. With a population of approximately 58 million, Italy has an annual per capita consumption of about 23 kg of fish and seafood. Italy imports nearly $2.7 billion of fish and seafood products annually, with half of its seafood imports coming from EU member states, particularly Spain. Last year, Italy imported more than $47 million in seafood products from the United States.

As the consumption of fish and seafood in Italy is expected to continue to rise, opportunities exist in the supply of fish, especially tuna, and seafood for the canning industry. In addition, the Italian retail sector will look for frozen fish fillets such as hake, cod and plaice to meet the demand for convenient, ready-to-prepare products. Peeled and processed shrimp would do well in the Italian market. The growing consumption of frozen seafood will provide good opportunities for exporters of squid, cuttlefish, and octopus. U.S. exporters of lobster will find continued opportunities in Italy's seafood sector. Unable to meet its increasing demand for lobster, Italy relies heavily on its three largest foreign suppliers of lobster: the United States, Canada, and Spain. In addition to peeled and processed shrimp, opportunities exist to supply a wide range of processed food products to the market, including canned fruit and vegetables, frozen prepared food, sweet snacks and bakery items.

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Calendar of Italian Holidays

Italian holidays must be taken into account when planning a business itinerary. July and August are poor months for conducting business in Italy since most businesses close for summer vacation. The same is true during the Christmas and New Year period. Italian commercial and local city holidays are listed below. The U.S. Embassy in Rome and Consulates in Milan, Florence and Naples observe Italian and American holidays. When an Italian holiday falls on a Saturday, offices and stores are closed.

Listed below are fixed public Italian holidays:

January 1	New Years Day
January 6	Epiphany
April 1	Easter Monday
April 25	Anniversary of the Liberation
May 1	Labor Day
August 15	Assumption Day - Ferragosto
November 1	All Saints' Day
December 8	Feast of the Immaculate Conception
December 25	Christmas Day
December 26	St. Stephen's Day

USDA FAS Contacts in Rome, Italy

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