

AGRI New Markets Program – Fiscal Year 2017 Results

Since 2013, the Minnesota Department of Agriculture’s (MDA) Agricultural Growth, Research, and Innovation (AGRI) Program has included an annual investment in food and beverage company business development. Designed to give Minnesota companies a competitive edge in regional, national, and international markets, the AGRI New Markets Program includes:

- Cost-sharing that allows small Minnesota food companies to exhibit at more tradeshows and execute more in-store demos (known as the TSP Cost-Sharing Program), and
- Coordination of Minnesota Pavilions at trade events around the world.

At the end of the 2017 Fiscal Year (FY2017), staff surveyed program participants to measure impacts on sales and distribution, and to gather input on services provided.

The combined impact of the AGRI New Markets Program TSP Cost-Sharing and Minnesota Pavilions resulted in (company-estimated) 6-12 month sales projection exceeding \$26 million. Those numbers more than tripled from our previous fiscal year.

TSP Cost-Sharing FY2017 Results

This program enabled almost 100 companies to explore new markets by expanding their capacity to execute in-store demonstrations, and by sharing costs for them to exhibit at new trade events.

As a result of TSP Cost-Sharing participation, applicants reported **\$5.9 million in projected sales** over the next 6-12 months. Participants also reported that they:

- Explored 291 new markets,
- Sell to 6,755 new stores, and
- Initiated 156 new distributor relationships.

TSP Participants ranked Program performance on a scale of 1 to 3 with the following results:

Category	Rating
Communications	2.7
Program Effectiveness	2.9
Overall Service	2.9

Minnesota Pavilion FY2017 Results

Over the past year, the MDA hosted Minnesota Pavilions at 11 global trade events, including:

- Anuga (Cologne, Germany)
- SIAL Canada (Montreal, Canada)
- VIV China (Beijing, China)

- Winter Fancy Food Show (San Francisco, California)
- Gulfood (Dubai, United Arab Emirates)
- Natural Products Expo West (Anaheim, California)
- National Restaurant Association/American Food Fair Pavilion (Chicago, Illinois)
- BAR 17 @ NRA (Chicago, Illinois)
- Sweets and Snacks Expo (Chicago, Illinois)
- SIAL China (Shanghai, China)
- Summer Fancy Food Show (New York City, New York)

Overall, there were 71 booths purchased by food and beverage companies at Minnesota Pavilion events in FY2017. Participating companies reported:

- **More than \$20.3 million in projected sales** over the next 6-12 months,
- A nearly 41:1 return on investment, with a reported event expense total of \$490,000,
- 4,818 new sales contacts, including 1,762 “high value contacts,” and
- 290 new distributor relationships.

State Fiscal Year	Sales Projected by Participating Companies	Company Reported Expense Totals	Avg. Company ROI (Sales:Expenses)	Projected Sales per Event Participation
2014	\$2,096,500	\$170,600	\$22.67	\$80,634
2015	\$2,896,000	\$161,100	\$17.31	\$72,400
2016	\$6,704,600	\$378,579	\$19.77	\$115,596
2017	\$20,310,000	\$489,720	\$50.98	\$286,056

Asked to rank the following aspects of their level of satisfaction with Minnesota Pavilion events on a scale of 1 to 5, participants scored:

Participant Satisfaction	Average Score
Pre Show Coordination	4.7
Booth/Pavilion Location	4.5
Assistance During the Show	4.7
Booth Price	4.7
Overall Satisfaction	4.9

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