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Canada

International Markets Bureau

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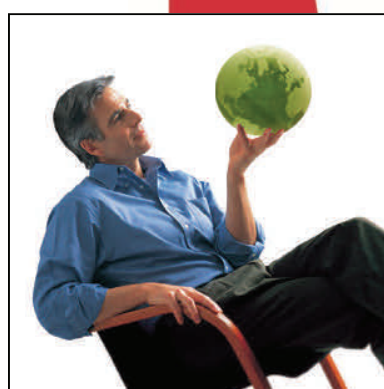
Consumer Trends
Pet Food in Canada



Growing Forward

Canada

EXECUTIVE SUMMARY

Differentiation and premiumization are driving growth in Canada's pet food market. The development of enhanced pet food products is creating greater segmentation with factors such as age, breed and health maintenance as the focus in this market.

Consumers are treating pets as members of their families, and this pet "humanization" has evolved to the point where preferences for natural health products and nutritional ingredients are growing. Pet owners are looking for natural, high-quality products to ensure their pets stay healthy. They want to see ingredients that are recognizable, and that are similar to what they themselves are eating. The pet food industry has responded to pet owners through product expansions and selections, incorporating demands for natural, organic, eco-friendliness, health and wellness, as well as new tastes and flavours.

It is estimated that 38.5% of Canadian households owned a cat in 2011. Canadian cat food sales are expected to grow at a compound average growth rate (CAGR) of 1.9% from 2011 to 2016, reaching sales of C$720.3 million.

The dog population in Canada was just over five million in 2011, with 35% of Canadian homes owning a dog. Over the next few years, dog food sales are projected to grow in value at a CAGR of 2.2%, to a total of C$1.1 billion in 2016.

Pet-related spending is expected to continue increasing over the coming years, as growing disposable incomes allow Canadians to buy more products for their pets, including premium items. According to the Bank of Montreal Capital Markets' economic outlook (April 2012), real disposable income in Canada is expected to increase by 1.9% in 2012. However, Canadian pet owners remain price-conscious, and are turning more and more to grocery retailers for pet food purchases rather than specialty stores, due to the diversity of products and price ranges on offer.

INSIDE THIS ISSUE

MARKET OVERVIEW

- The pet food market in Canada was valued at just under C$1.7 billion in 2011.
- Broken into categories, dog food showed the highest retail sales in 2011, reaching C$969 million. Since 2006, dog food has consistently experienced the highest retail sales relative to cat and other pet food.
- Cat food is the second-largest category with retail sales of C$655.9 million, followed by other pet food (C$74.8 million).
- By 2016, retail sales in the Canadian pet food market are projected to grow to C$1.9 billion, or by 10.2%. Dog food sales are projected to increase by 11.5%, followed by cat food at 9.8%. The other pet food category is expected to decline by 3.1% to C$72.5 million in 2016.

Sales of Pet Food in Canada by Type - Retail Value in C$ millions

	2006	2007	2008	2009	2010	2011
Total Pet Food	1410.3	1471.3	1533.0	1586.2	1641.0	1699.7
Cat Food	542.6	566.3	591.7	612.3	633.5	655.9
Dog Food	799.8	834.3	868.4	899.6	933.0	969.0
Other Pet Food	67.9	70.7	72.9	74.3	74.5	74.8

Source: *Euromonitor International, 2012.*

Forecast Sales of Pet Food in Canada by Type - Retail Value in C$ millions

	2012	2013	2014	2015	2016
Total Pet Food	1732.9	1770.0	1806.5	1840.6	1873.5
Cat Food	667.4	680.7	694.3	707.7	720.3
Dog Food	991.7	1,016	1,039.2	1,060.2	1,080.7
Other Pet Food	73.8	73.3	73	72.7	72.5

Source: *Euromonitor International, 2012.*



MARKET OVERVIEW (continued)

Pet Food Brand Shares (by Company) in Canada
- Retail Value % Breakdown based on Retail Sales Price

Brand	Company	2007	2008	2009	2010
Pedigree	Mars Canada Inc	11.1	11.2	10.8	10.5
Friskies	Nestlé Purina PetCare Co	7	7.5	7.5	7.3
Iams	Procter & Gamble Inc	6.6	6.3	6.6	6.5
Whiskas	Mars Canada Inc	5.4	5.6	5.7	5.6
Dog Chow	Nestlé Purina PetCare Co	4.7	4.7	4.7	4.6
Hill's Science Diet	Hill's Pet Nutrition Canada Inc	3.6	3.6	4	4.1
Cat Chow	Nestlé Purina PetCare Co	3.8	3.9	3.9	3.8
Purina ONE	Nestlé Purina PetCare Co	3.2	3.4	3.4	3.3
Purina Beneful	Nestlé Purina PetCare Co	2.4	2.5	2.6	2.6
Temptations	Mars Canada Inc	2.5	2.6	2.6	2.6
Alpo	Nestlé Purina PetCare Co	2.3	2.3	2.3	2.2
President's Choice	Loblaws Cos Ltd	2	2	2	2.1
Kibbles 'n' Bits	Del Monte Foods Co	2.3	2.1	1.9	1.8
Nutro	Nutro Products Inc	1.7	1.6	1.8	1.7
Compliments	Sobeys Inc	1.7	1.7	1.7	1.7
Pro Plan	Nestlé Purina PetCare Co	1.6	1.7	1.7	1.6
Milk-Bone	Del Monte Foods Co	1.3	1.3	1.5	1.5
Pup-Peroni	Del Monte Foods Co	1.1	1.2	1.3	1.4
Meaty Bone	Del Monte Foods Co	1.3	1.3	1.3	1.3
Eukanuba	Procter & Gamble Inc	1.2	1.2	1.2	1.1
Fancy Feast	Nestlé Purina PetCare Co	1	1	1	1.1
Other Private Label	Other Private Label	1.3	1.2	1.1	1
Snausages	Del Monte Foods Co	0.9	1	1	1
Tetra	Spectrum Brands Inc	0.9	0.9	0.9	0.9
Meow Mix	Del Monte Foods Co	0.9	0.9	0.9	0.9
Jerky Treats	Del Monte Foods Co	0.8	0.8	0.7	0.7
Ol' Roy	Wal-Mart Canada Inc	0.7	0.7	0.7	0.7
President's Choice Gourmet	Loblaws Cos Ltd	0.7	0.7	0.7	0.7
Special Kitty	Wal-Mart Canada Inc	0.5	0.5	0.5	0.5
Cesar	Mars Canada Inc	0.5	0.5	0.5	0.5
Sheba	Mars Canada Inc	0.5	0.6	0.2	-
Others	Others	24.3	23.7	23.2	24.6
Total	Total	100	100	100	100

Source: *Euromonitor International, 2012.*
Note: *At the time of preparing this report, 2010 was the latest data available for pet food brand and company data*

RETAIL TRENDS

- In Canada, the main distribution channels for dog and cat foods are supermarkets and hypermarkets. Grocery stores provide consumers with competitive pricing and an opportunity to purchase pet food alongside groceries. This combination of convenience, varied selection and pricing is appealing to consumers. Hypermarket and superstore leaders in pet food sales in Canada are: Wal-Mart, Loblaws (No Frills and Maxi), Metro (Super C and Food Basics), and Sobeys (Price Chopper). Top supermarket and neighbourhood stores are: Sobeys, Loblaws, Metro, and Overwaite Food Group.

- In contrast to grocery retailers, specialty pet store retailers, whose products are generally more expensive, remain competitive by carrying premium brands and providing tailored advice to consumers. The leading pet superstores in Canada are PetValu and PetSmart.

- Product mark-up is high in the other pet food category, due to low levels of competition amongst pet specialists and retailers. These higher prices exist to balance out the low volumes of other pet food sold in Canada. Compared to the range of dog and cat foods found in grocery retailers, the selection of other pet food is far more limited. Grocers are reluctant to stock wide selections of other pet food due to its limited demand and low volume sales.

- The small size of the other pet food market, combined with distribution primarily through specialized retail, presents a certain challenge in terms of market entry and development in the other pet food industry. None of the leading global pet food companies, which maintain a strong presence in dog and cat food, are present in the other pet food sector. This trend shelters the players already involved in the category from further competition. This, combined with low levels of advertising, has led to a relatively stable status quo in terms of competitive positioning.

- In Canada, dog food producers are using social media networks to reach consumers and to publicize different product introductions, retail discounts and special offers, and to provide a forum for consumers to discuss pet care issues.

- Small-scale producers in both the cat food and dog food market are increasing their market share and creating competition for large-scale multinationals such as Nestlé, Del Monte Foods, and Procter & Gamble. Small-scale producers are especially competitive in the natural, “homemade,” or organic segments of pet products.

Penetration of Private Label in Canada’s Pet Food Market (%)

	2006	2007	2008	2009	2010
Pet Food	8.1	7.7	7.5	7.6	7.6

Source: *Euromonitor International, 2012.*

INDUSTRY COMPETITION

- Total pet food imports into Canada reached C$531 million in value for 2011, a drop from C$551 million in 2009. However, imported pet food volume sales increased by approximately 4.6 million kilograms over the same two-year period.
- Unit pricing reflects the drop in value sales, with an average per kilogram value of C$2.08 in 2011, down from C$2.20 in 2009.
- The majority of Canada's pet food imports come from the United States (approximately 94%).

Canadian Imports from the World - Dog and Cat Food Put Up for Retail Sale - Value in C$ Thousands

	2006	2007	2008	2009	2010	2011
World	429,051.3	453,284.0	527,488.6	550,946.1	512,926.7	531,040.1
United States	420,999.1	438,510.9	507,609.1	529,851.0	486,742.5	501,128.6
China	5,875.0	8,754.0	12,782.7	11,712.1	15,062.2	12,792.4
Thailand	279.7	3,364.7	3,769.7	5,825.4	7,622.3	10,322.5
Brazil	371.4	907.5	627.2	326.4	869.1	1,281.6
Mexico	314.9	213.2	399.9	568.8	55.8	1,178.5
Canada	236.4	409.3	835.0	1,056.1	1,144.5	1,132.4
New Zealand	146.2	270.2	327.1	447.7	587.5	873.7
United Kingdom	57.2	48.7	53.2	46.1	26.7	831.0
Netherlands	46.3	43.1	45.2	29.2	121.2	386.8
Vietnam	0.2	2.7	21.7	164.7	229.0	378.2
France	56.8	9.0	4.7	65.6	142.4	353.5

Canadian Imports from the World - Dog and Cat Food Put Up for Retail Sale - Quantity in Thousands of KG

	2006	2007	2008	2009	2010	2011
World	277,483.8	294,194.5	269,780.0	250,168.2	247,354.8	254,797.0
United States	273,752.2	288,081.6	264,200.1	244,676.4	240,233.3	247,195.9
Thailand	162.3	1,912.2	1,667.2	2,568.5	3,115.2	3,862.5
China	3,097.3	3,511.2	3,080.0	2,085.3	3,149.3	2,216.0
United Kingdom	12.5	9.1	4.0	9.9	9.2	450.3
Brazil	69.6	159.8	87.9	28.9	125.6	321.3
Mexico	68.6	57.7	50.9	52.8	7.9	238.7
Canada	51.3	114.4	277.9	328.1	375.3	221.1
New Zealand	16.9	89.8	77.2	91.9	125.9	79.1
France	16.0	2.9	1.8	28.2	22.8	56.4
Vietnam	0.0	1.7	4.4	24.0	40.1	55.0
Netherlands	4.8	11.3	3.1	3.4	10.4	48.8

Source for both: *Global Trade Atlas, 2012.*
Note: *Figures include re-imports, or goods that have been exported abroad without having been materially altered or substantially enhanced before re-entering Canada*

CAT FOOD

- As of 2011, 38.5% of Canadian households owned a cat. Since 2006, the cat population has only increased by approximately 0.8%.
- Canadian cat food sales increased by 3.5% in value from 2010 to 2011, rising to C$656 million, while volume sales grew by 0.9%, reaching 152,809.7 tonnes.
- By type, dry cat food is the market leader with sales of C$376 million in 2011.
- Dry cat food was also the leader in terms of value growth percentages from 2006 to 2011 with a CAGR of 4.9%, followed by 4.8% for cat treats and mixers, and 2.1% for wet cat food.
- Cat treats and mixers, with a CAGR of 2.8% from 2006-2011, recorded the greatest volume growth in Canada's cat food industry. Following behind was dry cat food, with a CAGR of 2.4% over the same period. Wet cat food experienced negative volume growth, with a CAGR of -0.4% from 2006-2011.
- Cat food as a whole is projected to increase at a CAGR of 1.9% from 2011-2016, to reach C$720.3 million.
- There has been a shift in sales from wet to dry cat food in recent years. Canadian consumers' preference for dry cat food can be attributed to convenience in terms of storage, and the option to buy in bulk. However, since cats require a smaller volume of food compared to dogs, consumers are still more willing to buy wet food for their cats than for their canine pets.
- Cat food products are increasingly marketed as gourmet, functional or fortified, homemade, and natural/organic. Products marketed as gourmet with unique flavours that are packaged in smaller trays or pouches, usually denote a more premium quality which consumers are increasingly willing to buy for their cats.
- There is also a growing tendency for cat food products to be manufactured according to the different life stages of a cat. As a whole, the pet population in Canada is aging due to pets living longer, and manufacturers are taking note, increasingly offering product lines or variants targeted towards older cats.

Sales of Cat Food in Canada by Type - Value in C$ millions

	2006	2007	2008	2009	2010	2011
Total Cat Food	542.6	566.3	591.7	612.3	633.5	655.9
Cat Treats and Mixers	48.7	52.0	55.2	58.0	59.8	61.5
Dry Cat Food	296.7	314.5	332.3	346.8	361.4	376.3
Wet Cat Food	197.1	199.9	204.2	207.5	212.3	218.2

Source: *Euromonitor International, 2012.*

Forecast Sales of Cat Food in Canada by Type - Value in C$ millions

	2012	2013	2014	2015	2016
Total Cat Food	667.4	680.7	694.3	707.7	720.3
Cat Treats and Mixers	62.1	63	64.3	65.7	67.4
Dry Cat Food	384.1	392.6	401.1	409.6	417.3
Wet Cat Food	221.2	225	228.9	232.4	235.6

Source: *Euromonitor International, 2012.*

CAT FOOD (continued)

Sales of Cat Food in Canada by Type - Historic/Forecast % Value Growth

	2006-11 CAGR	2006-11 Total	2011-16 CAGR	2011-16 Total
Total Cat Food	3.9	20.9	1.9	9.8
Cat Treats and Mixers	4.8	26.2	1.9	9.6
Dry Cat Food	4.9	26.8	2.1	10.9
Wet Cat Food	2.1	10.7	1.5	8.0

Sales of Cat Food in Canada by Type - Volume in Tonnes

	2006	2007	2008	2009	2010	2011
Total Cat Food	142,088.7	144,218.0	146,997.7	150,008.3	151,464.7	152,809.7
Cat Treats and Mixers	1,995.6	2,079.9	2,165.5	2,252.1	2,278.2	2,295.1
Dry Cat Food	89,768.8	92,560.1	95,412.3	98,254.3	99,717.1	101,126.5
Wet Cat Food	50,324.3	49,578.1	49,419.9	49,501.9	49,469.4	49,388.1

Forecast Sales of Cat Food in Canada by Type - Volume in Tonnes

	2012	2013	2014	2015	2016
Total Cat Food	154,182.6	155,765,5	157,388.5	158,848.4	160,062.7
Cat Treats and Mixers	2,316.7	2,350.0	2,391.9	2,436.2	2,480.3
Dry Cat Food	102,339.7	103,564.7	104,807.6	105,984.2	106,990.4
Wet Cat Food	49,526.3	49,850.7	50,189.0	50,428.0	50,592.0

Sales of Cat Food in Canada by Type - Historic/Forecast % Volume Growth

	2006-11 CAGR	2006-11 Total	2011-16 CAGR	2011-16 Total
Total Cat Food	1.5	7.5	0.9	4.7
Cat Treats and Mixers	2.8	15.0	1.6	8.1
Dry Cat Food	2.4	12.7	1.1	5.8
Wet Cat Food	-0.4	-1.9	0.5	2.4

Sales of Premium Cat Food in Canada by Type - Retail Value in C$ millions

	2006	2007	2008	2009	2010	2011
Total Premium Cat Food	120.9	128.5	136.6	143.7	151.1	158.9
Premium Dry Cat Food	73.0	79.0	85.2	90.3	95.6	101.2
Premium Wet Cat Food	47.9	49.5	51.5	53.4	55.5	57.7

Source for all: *Euromonitor International, 2012*

CAT FOOD (continued)

Canadian Cat Food by Price Band 2010 in C$

Sector	Price Band	Price Range per KG
Wet Cat Food	Premium	Above $9.00
	Standard	$7.80-$9.00
	Economy	Below $7.80
Dry Cat Food	Premium	Above $8.00
	Standard	$4.90-$9.00
	Economy	Below $4.90

Top 20 Cat Food Brand Shares (by Company) in Canada - Retail Value % Breakdown Based on Retail Sales Price

Brand	Company	2007	2008	2009	2010
Friskies	Nestlé Purina PetCare Co	18.3	19.5	19.3	18.9
Whiskas	Mars Canada Inc	14.1	14.4	14.7	14.6
Cat Chow	Nestlé Purina PetCare Co	9.9	10.1	10.1	10
Iams	Procter & Gamble Inc	7.8	7.4	8.1	7.9
Temptations	Mars Canada Inc	6.6	6.7	6.8	6.7
Hill's Science Diet	Hill's Pet Nutrition Canada Inc	4.1	4.2	4.9	5.1
Fancy Feast	Nestlé Purina PetCare Co	2.5	2.6	2.7	2.7
Compliments	Sobeys Inc	2.4	2.4	2.4	2.4
Nutro	Nutro Products Inc	2.3	2.1	2.5	2.4
Meow Mix	Del Monte Foods Co	2.4	2.3	2.3	2.3
President's Choice	Loblaws Cos Ltd	2.0	2.0	2.0	2.1
President's Choice Gourmet	Loblaws Cos Ltd	1.7	1.7	1.7	1.8
Purina ONE	Nestlé Purina PetCare Co	1.5	1.6	1.7	1.7
Special Kitty	Wal-Mart Canada Inc	1.3	1.3	1.4	1.4
9 Lives	Del Monte Foods Co	1.4	1.2	1.2	1.2
Pounce	Del Monte Foods Co	1.2	1.1	1.2	1.1
No Name	Loblaws Cos Ltd	0.9	0.8	0.8	0.8
Eukanuba	Procter & Gamble Inc	0.8	0.8	0.8	0.7
Special Kitty Select	Wal-Mart Canada Inc	0.3	0.3	0.4	0.4
Other Private Labels	Other Private Labels	0.6	0.5	0.4	0.4

Cat Treat Brand Shares (by Company) in Canada - Retail Value % Breakdown Based on Retail Sales Price

Brand	Company	2007	2008	2009	2010
Temptations	Mars Canada Inc	72.0	72.2	72.3	70.5
Pounce	Del Monte Foods Co	12.8	12	12.3	11.9
Meow Mix Treat	Del Monte Foods Co	2.5	1.6	1.6	1.7
President's Choice	Loblaws Cos Ltd	1.1	1.1	1.3	1.5
Special Kitty	Wal-Mart Canada Inc	1.0	1.0	1.0	0.9
Whisker Lickin's	Nestlé Purina PetCare Co	1.6	0.9	0.9	0.9
9 Lives Cat Nippers	Del Monte Foods Co	1.5	0.6	0.6	0.6
Other Private Label	Other Private Label	0.5	0.3	0.2	0.2
Others	Others	7.0	10.3	9.7	11.8

Source for all: *Euromonitor International, 2012*
Note: *At the time of preparing this report, 2010 was the latest data available for price band and brand share information*

DOG FOOD

- As of 2011, 35% of Canadian households owned a dog, a slight dip in numbers from 35.1% in 2009. However, the dog population has remained relatively stable as a whole, reaching just over 5 million in 2011.
- Canadian dog food sales increased by 3.8% in value from 2010 to 2011, rising to C$969 million, while volume sales grew by 0.9%, reaching 302,231.5 tonnes.
- Dry dog food sales had the highest market share, reaching C$625.7 million in 2011.
- In terms of value growth, dog treats/mixers recorded a CAGR of 4.7% from 2006 to 2011, followed by 3.9% for dry dog food, and 2.6% for wet dog food.
- Dog food as a whole is projected to increase at a CAGR of 2.2% from 2011-2016, to reach C$1.1 billion.
- Dog treats and mixers, with a CAGR of 2.7% from 2006 to 2011, had the greatest volume growth in Canada's dog food market. Following behind was dry dog food, with a CAGR of 1.5% over the same time period. To a lesser extent, wet dog food also experienced growth, with a CAGR of 0.1% from 2006 to 2011.
- Dry food was the most popular choice amongst Canadian dog owners, largely attributable to the wider selection of dry products compared to wet, and the generally lower price point.
- Similar to cat food, there is growing consumer demand for premium dog food that contains high quality ingredients and guarantees nutritional benefits. The dog population in Canada is aging, and manufacturers are responding with targeted products that meet the different health needs of older pets.
- Health and wellness trends are increasingly evident in the Canadian dog food market, as products are manufactured as natural, organic or "homemade." Sales of these products are attributed to consumer demand for higher quality pet foods.

Sales of Dog Food in Canada by Type - Value in C$ millions

	2006	2007	2008	2009	2010	2011
Total Dog Food	799.8	834.3	868.4	899.6	933.0	969.0
Dog Treats and Mixers	173.7	184.1	194.4	202.4	211.1	218.8
Dry Dog Food	516.8	538.6	559.3	579.7	601.1	625.7
Wet Dog Food	109.3	111.6	114.7	117.5	120.8	124.5

Source: *Euromonitor International, 2012.*

Forecast Sales of Dog Food in Canada by Type - Value in C$ millions

	2012	2013	2014	2015	2016
Total Dog Food	991.7	1,016.0	1,039.2	1,060.2	1,080.7
Dog Treats and Mixers	224.1	230.8	237.3	243.3	248.7
Dry Dog Food	641.1	656.5	670.9	683.9	697.2
Wet Dog Food	126.4	128.7	131.0	133.0	134.8

Source: *Euromonitor International, 2012.*

DOG FOOD (continued)

Sales of Dog Food in Canada by Type - Historic/Forecast % Value Growth

	2006-11 CAGR	2006-11 Total	2011-16 CAGR	2011-16 Total
Total Dog Food	3.9	21.2	2.2	11.5
Dog Treats and Mixers	4.7	26.0	2.6	13.6
Dry Dog Food	3.9	21.1	2.2	11.4
Wet Dog Food	2.6	13.9	1.6	8.3

Sales of Dog Food in Canada by Type - Volume in Tonnes

	2006	2007	2008	2009	2010	2011
Total Dog Food	282,040.2	286,069.9	290,412.1	295,832.0	299,611.2	302,231.5
Dog Treats and Mixers	10,695.4	11,072.6	11,452.4	11,750.3	12,033.7	12,218.0
Dry Dog Food	238,128.9	242,087.5	246,057.5	250,843.2	254,238.1	256,613.8
Wet Dog Food	33,215.9	32,909.9	32,902.1	33,238.5	33,339.4	33,399.6

Forecast Sales of Dog Food in Canada by Type - Volume in Tonnes

	2012	2013	2014	2015	2016
Total Dog Food	305,884.2	310,812.6	315,655.2	319,992.1	323,776.4
Dog Treats and Mixers	12,474.9	12,788.5	13,097.2	13,371.6	13,613.0
Dry Dog Food	259,767.1	264,079.8	268,332.1	272,224.0	275,647.0
Wet Dog Food	33,642.1	33,944.4	34,225.8	34,396.5	34,516.4

Sales of Dog Food in Canada by Type - Historic/Forecast % Volume Growth

	2006-11 CAGR	2006-11 Total	2011-16 CAGR	2011-16 Total
Total Dog Food	1.4	7.2	1.4	7.1
Dog Treats and Mixers	2.7	14.2	2.2	11.4
Dry Dog Food	1.5	7.8	1.4	7.4
Wet Dog Food	0.1	0.6	0.7	3.3

Sales of Premium Dog Food in Canada by Type - Retail Value in C$ millions

	2006	2007	2008	2009	2010	2011
Total Premium Dog Food	181.6	196.8	210.6	221.4	232.3	245 .0
Premium Dry Dog Food	155.1	168.8	180.8	190.1	199.5	210.4
Premium Wet Dog Food	26.5	28.0	29.8	31.3	32.9	34.6

Source for all: *Euromonitor International, 2012.*

DOG FOOD (continued)

Canadian Dog Food by Price Band 2010 in C$

Sector	Price Band	Price Range per KG
Wet Dog Food	Premium	Above $4.00
	Standard	$2.00-$3.80
	Economy	Below $2.00
Dry Dog Food	Premium	Above $5.50
	Standard	$3.50-$5.50
	Economy	Below $3.50

Source: *Euromonitor International, 2012.*
Note: *At the time of preparing this report, 2010 was the latest data available for price band information.*

- The brand Pedigree (Mars Canada Inc.) was the most popular choice for consumers of dog food in 2010. This brand is popular because it offers nutritional products for each stage of a pet's life, as well as products that address particular health conditions, all at an affordable price. Moreover, Pedigree is a popular choice due to the company's positive marketing campaigns that resonate well with consumers. For example, during the 2010 Pedigree Adoption Drive, Mars Canada Inc. offered to donate one dollar to Canadian pet shelters for every "Adoption Tales" video that was viewed on its website.

- While Mars Canada is the leading company in the Canadian dog food market, when further broken down, the mid-priced dry dog food segment was dominated by Nestlé Purina PetCare in 2010 with a 51% market share. The premium dry dog foods category was also dominated by Nestlé Purina PetCare with 47%. For premium wet dog food, Procter & Gamble dominated with 30% market share.

Top 20 Dog Food Brand Shares (by Company) in Canada
- Retail Value % Breakdown Based on Retail Sales Price

Brand	Company	2007	2008	2009	2010
Pedigree	Mars Canada Inc	19.6	19.7	19.0	18.5
Dog Chow	Nestlé Purina PetCare Co	8.3	8.4	8.3	8.1
Iams	Procter & Gamble Inc	6.4	6.1	6.2	6.1
Purina ONE	Nestlé Purina PetCare Co	4.6	5.0	4.9	4.7
Purina Beneful	Nestlé Purina PetCare Co	4.2	4.5	4.5	4.6
Alpo	Nestlé Purina PetCare Co	4.1	4.1	4.1	3.9
Hill's Science Diet	Hill's Pet Nutrition Canada Inc	3.5	3.6	3.6	3.7
Kibbles 'n' Bits	Del Monte Foods Co	4.1	3.7	3.4	3.2
Pro Plan	Nestlé Purina PetCare Co	2.8	2.9	2.9	2.9
Milk-Bone	Del Monte Foods Co	2.3	2.3	2.6	2.6
Pup-Peroni	Del Monte Foods Co	2.0	2.0	2.4	2.4
Meaty Bone	Del Monte Foods Co	2.3	2.3	2.3	2.3
President's Choice	Loblaws Cos Ltd	2.2	2.2	2.2	2.2
Snausages	Del Monte Foods Co	1.6	1.7	1.8	1.7
Eukanuba	Procter & Gamble Inc	1.6	1.6	1.6	1.5
Nutro	Nutro Products Inc	1.4	1.4	1.4	1.4
Compliments	Sobeys Inc	1.3	1.3	1.3	1.3
Jerky Treats	Del Monte Foods Co	1.3	1.3	1.3	1.3
Ol' Roy	Wal-Mart Canada Inc	1.2	1.2	1.3	1.2
Cesar	Mars Canada Inc	0.8	0.8	0.9	0.9

Source: *Euromonitor International, 2012*
Note: *At the time of preparing this report, 2010 was the latest data available for brand share information.*

DOG FOOD (continued)

Dog Treat Brand Shares (by Company) in Canada
- Retail Value % Breakdown Based on Retail Sales Price

Brand	Company	2007	2008	2009	2010
Pedigree	Mars Canada Inc	20.3	20.1	20.2	19.9
Milk-Bone	Del Monte Foods Co	10.3	10.3	11.6	11.6
Pup-Peroni	Del Monte Foods Co	9.0	9.1	10.5	10.5
Meaty Bone	Del Monte Foods Co	10.7	10.4	10.4	10.0
Snausages	Del Monte Foods Co	7.4	7.6	7.8	7.4
Jerky Treats	Del Monte Foods Co	6.1	6.0	5.9	5.7
President's Choice	Loblaws Cos Ltd	2.9	3.1	3.3	3.3
Beggin' Strips	Nestlé Purina PetCare Co	2.4	2.5	2.5	2.5
Ol' Roy	Wal-Mart Canada Inc	1.8	1.8	2.0	2.0
Compliments	Sobeys Inc	1.8	1.8	1.8	1.8
T-Bonz	Nestlé Purina PetCare Co	1.6	1.6	1.5	1.4
Grreat Choice	PetSmart Canada Inc	0.7	0.7	0.9	0.9
Other Private Label	Other Private Label	1.0	1.0	0.9	0.8
Alpo	Nestlé Purina PetCare Co	0.7	0.8	0.7	0.7
Iams	Procter & Gamble Inc	0.7	0.7	0.6	0.6
Others	Others	22.6	22.6	19.3	20.8

Source: *Euromonitor International, 2012.*
Note: *At the time of preparing this report, 2010 was the latest data available for brand share information.*

OTHER PET FOOD

- Non-conventional pet ownership is limited in Canada, so growth in this market is more subtle. Pet ownership rates have seen little change over the years, with fish as the overwhelmingly most popular other pet. Within this market, birds continue to be favoured over small mammals, while reptiles are owned by a small portion of the Canadian population.

- Canadian sales of other pet food only increased slightly in value from 2010 to 2011, reaching C$74.8 million, while volume sales experienced a negative growth of 2.1% to 5,408.6 tonnes.

- Between 2006 and 2011, fish food registered a CAGR of 4.3% in value, followed by 3.7% for small mammal/reptile food, and -0.5% for bird food.

- Fish food, with a CAGR of 2.2% from 2006-2011, had the greatest volume growth in Canada's other pet food industry. Following behind was small mammal/reptile food, with a CAGR of 1.6% over the same period. Finally, bird food experienced a decline with a CAGR of -2.5% from 2006-2011.

- Relative to cat or dog food, other pet food did not perform as well in the Canadian market. A focus on premium foods is becoming more prevalent in this market, although not as prominently as in the cat or dog food segments.

OTHER PET FOOD (continued)

Other Pet Population in Canada - Thousands of Animals

	2006	2007	2008	2009	2010	2011
Birds	2,618.0	2,653.1	2,688.4	2,688.0	2,687.0	2,674.6
Fish	7,913.0	8,113.4	8,316.7	8,316.0	8,332.6	8,349.3
Small Mammals	1,203.0	1,208.2	1,213.3	1,214.0	1,214.5	1,215.7
Reptiles	237.0	251.0	265.0	265.1	266.0	266.2

Sales of Other Pet Food in Canada by Type - Value in C$ millions

	2006	2007	2008	2009	2010	2011
Total Other Pet Food	67.9	70.7	72.9	74.3	74.5	74.8
Bird Food	33.9	35.1	35.9	35.6	34.2	33.1
Fish Food	24.6	25.8	26.9	28.2	29.4	30.4
Small Mammal/ Reptile Food	9.4	9.8	10.1	10.4	10.9	11.3

Forecast Sales of Other Pet Food in Canada by Type - Value in C$ millions

	2012	2013	2014	2015	2016
Total Other Pet Food	73.8	73.3	73.0	72.7	72.5
Bird Food	31.4	30.1	28.9	27.7	26.7
Fish Food	30.8	31.4	32.1	32.7	33.3
Small Mammal/ Reptile Food	11.6	11.8	12.1	12.3	12.5

Sales of Other Pet Food in Canada by Type - Historic/Forecast % Value Growth

	2006-11 CAGR	2006-11 Total	2011-16 CAGR	2011-16 Total
Total Other Pet Food	1.9	10.1	-0.6	-3.0
Bird Food	-0.5	-2.4	-4.2	-19.3
Fish Food	4.3	23.3	1.9	9.8
Small Mammal/ Reptile Food	3.7	20.1	2.0	10.2

Sales of Other Pet Food in Canada by Type - Volume in Tonnes

	2006	2007	2008	2009	2010	2011
Total Other Pet Food	5,616.80	5,694.10	5,735.00	5,673.10	5,526.50	5,408.60
Bird Food	3,357.90	3,402.80	3,410.90	3,315.40	3,120.40	2,953.80
Fish Food	199.1	204.1	209	214.6	219.6	222.5
Small Mammal/ Reptile Food	2,059.70	2,087.10	2,115.10	2,143.10	2,186.40	2,232.40

Source for all: *Euromonitor International, 2012.*

OTHER PET FOOD (continued)

Forecast Sales of Other Pet Food in Canada by Type - Volume in Tonnes

	2012	2013	2014	2015	2016
Total Other Pet Food	5,299.7	5,207.0	5,134.8	5,067.7	5,008.0
Bird Food	2,802.8	2,669.4	2,553.6	2,448.6	2,354.6
Fish Food	225.5	228.9	233.3	237.4	240.7
Small Mammal/ Reptile Food	2,271.4	2,308.7	2,347.9	2,381.7	2,412.7

Sales of Other Pet Food in Canada by Type - Historic/Forecast % Volume Growth

	2006-11 CAGR	2006-11 Total	2011-16 CAGR	2011-16 Total
Total Other Pet Food	-0.8	-3.7	-1.5	-7.4
Bird Food	-2.5	-12.0	-4.4	-20.3
Fish Food	2.2	11.7	1.6	8.2
Small Mammal/ Reptile Food	1.6	8.4	1.6	8.1

Other Pet Food Brand Shares (by Company) in Canada, by Type - Retail Value % Breakdown Based on Retail Sales Price

Brand	Company	2007	2008	2009	2010
BIRD FOOD					
Hartz	Hartz Canada Inc	16.8	17.3	18.1	19.6
Living World	Rolf C Hagen Inc	15.6	15.7	15.3	15.3
KayTee	KayTee Products Inc	12.4	12.1	12.7	13.6
Sun Seed	Sun Seed Co Inc	7.1	6.7	6.8	7.0
8 in 1	Spectrum Brands Inc	5.6	6.2	6.3	6.4
8 in 1	8 in 1 Pet Products Inc	-	-	-	-
Private label	Private Label	16.8	17.1	17.8	18.6
Others	Others	25.7	25.0	23.0	19.5
FISH FOOD					
Tetra	Spectrum Brands Inc	49.5	49.9	50.0	50.3
Nutrafin	Rolf C Hagen Inc	18.6	18.7	18.4	18
Wardley	Hartz Canada Inc	9.4	9.4	9.2	8.9
Tetra	Tetra Werke GmbH	-	-	-	-
Private label	Private Label	7.0	6.9	6.6	6.4
Others	Others	15.5	15.2	15.7	16.3
SMALL MAMMAL/REPTILE FOOD					
Living World	Rolf C Hagen Inc	18.0	18.3	18.3	18.4
Exo-Terra	Rolf C Hagen Inc	12.9	13.1	13.2	13.3
KayTee	KayTee Products Inc	10.6	10.0	10.1	13.2
Hartz	Hartz Canada Inc	12.9	13.0	13.1	12.8
Sun Seed	Sun Seed Co Inc	5.3	5.3	5.3	5.4
Tetra	Spectrum Brands Inc	4.6	5.1	5.1	5.2
Habitrail	Rolf C Hagen Inc	5.4	5.4	5.2	5.0
8 in 1	Spectrum Brands Inc	2.2	2.4	2.5	2.3
Private label	Private Label	11.6	11.4	11.3	11.2
Others	Others	16.5	16.0	15.7	13.2

***Source for all:** Euromonitor International, 2012*
***Note:** At the time of preparing this report, 2010 was the latest data available for brand share information.*

PRODUCT DEVELOPMENTS

- In the Canadian pet food market, there is a growing tendency for pet owners to select high-quality natural or organic foods. This market is a small but growing proportion of the overall pet food market, and has a large influence on new product development. In response to consumer demand, manufacturers are offering products with recognizable ingredients and claims such as “natural” or “homemade.” In addition, many consumers are also looking for new pet products with environmental considerations. This trend has influenced campaigns like the Nestlé Purina PetCare “Paws for the Planet.” This initiative promotes sustainable practices by Nestlé in terms of manufacturing, packaging and employee awareness.

- Competition from small scale producers is pressuring larger players to improve product quality, ingredients, texture and packaging, and this is reflected in new product developments. Pro Plan Shredded Blend multi-textured dog food, introduced by Nestlé Purina PetCare, is one example. Iams Healthy Naturals (by Procter & Gamble) also recently introduced several products with improved quality, ingredients and packaging, including a dry dog food with lamb meal and rice, weight control products, and a range of foods specifically for puppies.

- In 2010, Procter & Gamble acquired Natura, a pet food product line known for its natural and organic positioning. Since there are obstacles to positioning pet products as organic due to ingredients, manufacturing processes, and official certification, it is likely that “natural” claims will remain predominant.

- In 2011, PetSmart introduced new products to the Canadian market under the Simply Nourish line. According to Euromonitor, this line includes both cat and dog foods that are positioned as natural, with high quality ingredients that are free from artificial colours, flavours and preservatives. This product meets the Association of American Feed Control Officials (AAFCO) requirements for natural pet foods.

- Pet health is a top priority for consumers, and the functionality of products influences buying decisions. Manufacturers are introducing more and more pet food variants to address different aspects of pet heath. For example, Hartz Joint Care for Cats is a supplement that includes glucosamine and vitamin C to help joint flexibility and improve bone strength. Additionally, Spectrum’s 8 in 1 Excel Bladder Care Paste is marketed as a product to support urinary tract health in cats.

Top 5 Attributes of New Pet Food Product Introductions to the Canadian Market by Feature, 2011

Feature	1	2	3	4	5
Sub-Category	Dog Snacks and Treats	Wet Dog Food	Dry Dog Food	Dry Cat Food	Wet Cat Food
Claims	Convenient Packaging	No Additives/ Preservatives	Vitamin/Mineral Fortified	For Adult Pets	Low/No/Reduced Allergen; Skin/Coat
Ingredients	Micronutrients: Vitamins	Cereal Products: Rice	Meat Products: Chicken	Vegetables: Root and Tuber Vegetables	Flavourings: Herbs
Flavours	Unflavoured/ Plain	Chicken	Beef	Salmon	Chicken and Rice
Package Type	Flexible stand-up pouch	Flexible	Can	Tub	Tray
Package Size	374 g	454 g	567 g	100 g; 453.6 g; 1600 g; 1800 g	57 g; 283 g; 690 g

Source: *Mintel, 2012.*

PRODUCT DEVELOPMENTS (continued)

Number of Pet Food Product Launches on the Canadian Market by Type, Sub-Category and Most Popular Claim Categories, 2011

Sub-Category	Claim Category	Package Type	Pack Size	Launches
CAT FOOD				
Dry food	Convenience	Flexible	1800 g	4
	Convenience	Flexible stand-up pouch	2993.76 g	1
	Natural	Flexible	1810 g	1
	Natural	Flexible stand-up pouch	1400 g - 2993.76 g	2
	Functional	Flexible	1500 g - 1810 g	7
	Functional	Flexible stand-up pouch	1400 g - 2993.76 g	2
	Plus	Flexible	1500 g - 1810 g	4
	Plus	Flexible stand-up pouch	1400 g	1
	Positioning	Flexible	1800 g	4
	Positioning	Flexible stand-up pouch	2993.76 g	1
Wet Food	Convenience	Tray	100 g	1
	Ethical & Environmental	Tub	57 g	4
	Functional	Can/tray	85 g - 100 g	2
	Plus	Can	85 g	1
	Positioning	Tray	100 g	1
DOG FOOD				
Dry Food	Convenience	Flexible	2600 g	1
	Ethical & Environmental	Flexible	1810 g - 2700 g	2
	Natural	Flexible	1600 g - 2700 g	4
	Functional	Flexible	1600 g - 2700 g	9
	Functional	Flexible stand-up pouch	2250 g	1
	Plus	Flexible	1600 g - 2700 g	8
	Positioning	Flexible	1600 g - 2700 g	5
	Positioning	Flexible stand-up pouch	2250 g	1
	Suitable for	Flexible	1810 g	1
Wet Food	Convenience	Can	374 g	1
	Convenience	Tray	100 g	1
	Ethical & Environmental	Can	369 g - 374 g	4
	Minus	Can	374 g - 690 g	4
	Natural	Can	369 g - 690 g	6
	Functional	Can	369 g - 690 g	17
	Functional	Tub	283 g	3
	Plus	Can	374 g	1
	Positioning	Can	369 g - 690 g	7
	Suitable For	Can	369 g - 690 g	5

Source: *Mintel, 2012.*

PRODUCT INTRODUCTIONS, 2006-2011

- There were 701 new pet food products launched in Canada between January 2006 and December 2011. In terms of releases by year, the number of pet food introductions decreased significantly in 2007, but regained momentum from 2008 to a peak in 2010. In 2011, the Canadian market saw 116 new pet food product launches.

New Pet Food Introductions in Canada, by Year

	2006	2007	2008	2009	2010	2011
Product Introductions	134	84	105	117	145	116

Source: *Mintel, 2012.*

Top Sub-Categories
1. Dog Snacks and Treats
2. Dry Dog Food
3. Wet Dog Food
4. Dry Cat Food
5. Wet Cat Food

- The most popular sub-category for new products launched on the Canadian market between January 2006 and December 2011 was dog snacks and treats, with 321 new products out of a total 701. Of these 321 products, approximately 30% had a "no additives/preservatives" claim. The preferred flavours in this sub-category were unflavoured/plain and chicken.

- The sub-category of dry dog food was the second-most popular, with 134 products out of a total 701. The primary claim was "vitamin/mineral fortified, appearing on almost 53% of the new dry dog food products. The top flavours for this sub-category were unflavoured/plain, chicken, and lamb and rice.

- Wet dog food was the third-most popular sub-category, with 104 products out of a total 701. The primary claims were "no additives/preservatives," "premium," and "vitamin/mineral fortified." The preferred flavours for this sub-category were beef, chicken and turkey.

Hip and Joint Formula Medium Dog Treats
Dog Snacks and Treats
(Jan. 2006)

Premium Dog Food
Dry Dog Food
(Aug. 2007)

Dog Food
Wet Dog Food
(Mar. 2008)

Cat Food Mix
Dry Cat Food
(Feb. 2009)

White Meat Chicken Appetizer for Cats
Wet Cat Food
(Mar. 2011)

Source for all: *Mintel, 2012.*

PRODUCT INTRODUCTIONS, 2006-2011 (continued)

Top Claims
1. No Additives/ Preservatives
2. Vitamin/Mineral Fortified
3. Teeth and Tartar Prevention
4. Digestion and Urinary Tract
5. Skin and Coat

- Approximately 30% of the pet food products introduced between January 2006 and December 2011 carried the claim “no additives/preservatives.” Of these, chicken flavour and unflavoured/plain each accounted for 25 products, while salmon and beef flavours each accounted for 8 of the introductions.

- The claim “vitamin/mineral fortified” was introduced in 178 of the 701 products (approximately 25%). The top flavours introduced with this claim were unflavoured/plain, chicken, and beef with 35, 25 and 9 product launches, respectively.

- Almost 20% of the new launches (137 products) had the “teeth and tartar prevention” claim. The top flavours introduced were unflavoured/plain, chicken, and beef.

Natural Biscuits for Dogs
No Additives/Preservatives
(Apr. 2011)

Chicken and Turkey Flavoured Adult Cat Food
Vitamin/ Mineral Fortified
(Jan. 2009)

Dentabone
Teeth and Tartar Prevention
(Jul. 2006)

Active PrePro Biscuits
Digestion and Urinary Tract
(Oct. 2010)

Indoor Cat Food
Skin and Coat
(Oct. 2007)

Source for all: *Mintel, 2012.*

Top Flavours (incl. blends)
1. Unflavoured/Plain
2. Chicken
3. Beef
4. Salmon
5. Turkey

- “Unflavoured/plain” was the top flavour for new pet food products launched on the Canadian market between January 2006 and December 2011, with 98 releases.

- Following close behind was chicken flavour, with 95 of the 701 products.

- Beef was the third most popular flavour with 53 products, followed by salmon and turkey with 22 and 17 products, respectively.

- Unflavoured/plain, chicken, and beef were mainly found in dog snacks and treats. Salmon flavour was primarily found in wet cat food, while turkey flavour was largely found amongst wet dog food products.

Edible Chew for Dogs
Unflavoured/Plain
(May 2009)

Chicken Chews
Chicken
(Aug. 2007)

Meaty Loaf Dog Food
Beef
(Dec. 2010)

Savoury Salmon Dinner
Salmon
(Mar. 2011)

Turkey in Savoury Juices
Turkey
(Oct. 2009)

Source for all: *Mintel, 2012.*

PRODUCT INTRODUCTIONS, 2006-2011 (continued)

Top Ingredients
1. Micronutrients and Related Products 2. Cereals and Cereal Products 3. Meat and Meat Products 4. Vegetables and Vegetable Products 5. Flavourings

- The top ingredient category found in the new pet product launches between January 2006 and December 2011 was micronutrients and related products. More specifically, the top sub-ingredients in this category were vitamins and minerals.

- Cereal and cereal products was the second-most popular ingredient category, with cereals registering the highest number of variants. The top five cereal ingredients were rice, corn, oats, wheat and barley.

- Meat and meat products was the third-most popular ingredient category, led by poultry meats. The top poultry ingredients were chicken (found in 152 products), and turkey meat (48).

Cat Food
Chicken
(Oct. 2010)

Chicken Rice and Vegetable Dog Food
Rice
(Aug. 2010)

Adult Dog Food
Vitamins
(Dec. 2011)

Bakery-Fresh Dog Cookies
Carrots
(Aug. 2008)

Duck Formula for Dogs
Rosemary Extracts
(Feb. 2009)

Source for all: *Mintel, 2012.*

Top Package Types
1. Flexible 2. Flexible Stand-up Pouch 3. Can 4. Carton 5. Tub

- Between January 2006 and December 2011, approximately 34% of the new pet food products were introduced in a flexible format. Flexible packages were mainly produced in a 454 g size.

- The flexible stand-up pouch format was found in a total of 210 products, or almost 30% of the launches. The majority of these packages were introduced in 85 g, 170 g and 567 g sizes.

- Rounding out the top three, 79 products were introduced in the can format, with a top package size of 374 g (found in 20 of the new products). The can format was followed by the carton and the tub package, with 29 and 33 products, respectively.

Kitten Food
Flexible
(Dec. 2009)

Chewy Beef Dog Snack in a Blanket
Flexible Stand-up
(Nov. 2008)

Senior Ground Entrée Dog Food
Can
(Jul. 2011)

Organic Cookies for Dogs
Carton
(Feb. 2009)

Frozen Treats for Dogs
Tub
(Apr. 2006)

Source for all: *Mintel, 2012.*

PRODUCT INTRODUCTIONS, 2006-2011 (continued)

Top Pack Sizes
1. 454 g
2. 85 g, 567 g
3. 100 g, 374 g
4. 170 g
5. 2000 g, 2721.6 g

- The most popular pack size for new pet food launches in the Canadian market was 454 g, with 27 products.
- A total of 23 products were produced in each of the 85 g and 567 g pack sizes. This was followed by the 374 g and 100 g sizes, with 20 products each.
- The five most popular pack sizes represent only 3-4% of the total pet food launches between January 2006 and December 2011, reflecting the vast selection of product sizes available in Canada.

Premium Meat Jerky Treats for Dogs
454 g
(Jul. 2011)

White Meat Chicken Florentine Cat Food
85 g
(May 2009)

Dog Biscuits
567 g
(Oct. 2006)

Elk Heart Jerky for Dogs
100 g
(Jan. 2006)

Dog Food
374 g
(May. 2010)

Source for all: *Mintel, 2012.*

NEW INNOVATIVE PRODUCTS

The following are some examples of innovative pet food introductions to the Canadian marketplace, from the Mintel Global New Products Database. Innovative products are defined using Mintel criteria of convenient packaging, innovative ingredients, interesting packaging, novelty, and portionability. Of the 701 pet food releases between January 2006 and December 2011, 86 products were categorized as innovative.

Source: *Mintel, 2012.*

Jerky Treat for Dog (convenient packaging)

Solid Gold Turkey Jerky Formula Jerky Treat for Dogs is a product that can be consumed by both puppies and older dogs. It is made with real turkey and claims to be a useful product for training and showing dogs. This product was introduced to the market in April 2011, is manufactured in a 238 g flexible stand-up pouch, and retails for C$12.50.

Company: Solid Gold Health Products for Pets

Food for Small Dogs Variety Pack (portionability)

Cesar Bistro Food for Small Dogs is marketed in two flavours: Tuscan style stew with beef, and steak florentine. This product meets the nutritional elements required by the Association of American Feed Control Officials (AAFCO) Dog Food Nutrient Profiles. The variety pack is manufactured in 12 portions of 100 g in the two flavours, and retails for C$12.83. This product was introduced to the market on March 2011.

Company: Mars

Source: *Mintel, 2012.*

RESOURCES/CONTACTS

Pet Industry Joint Advisory Council of Canada
2495 Lancaster Rd., Suite 202
Ottawa, Ontario
K1B 4L5
Tel: 1-800-667-7452
Fax: 613-730-9111
Web: www.pijaccanada.com

Canadian Food Inspection Agency (National Headquarters)
1400 Merivale Road
Ottawa, Ontario
K1A 0Y9
Tel: 1-800-442-2342 or 1-613-225-2342
Web: www.inspection.gc.ca/english/anima/petfaani/petfaanie.shtml

Pet Food Association of Canada
P.O. Box 35570, 2528 Bayview Avenue
Toronto, Ontario
M2L 2Y4
Tel: 416-447-9970
Fax: 416-443-9137
Web: www.pfac.com

Competition Bureau of Canada
Guide for Labeling and Advertising of Pet Foods
50 Victoria Street
Gatineau, Quebec
K1A 0C9
Tel: 1-800-348-5358
Fax: 1-819-997-0324
Web: www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/01229.html

ANNEX: REGULATIONS AND LABELLING

- The *Consumer Packaging and Labelling Act* regulates the labelling and advertising of pet food products, and mandates the following items be included on pet food labels:
  - Common or generic name (e.g. "Dog Food" or "Cat Food").
  - Net weight (the amount of product within the package, measured in metric units).
  - The manufacturer's or importer's contact information.
- The *Advertising and Labelling of Pet Food** is a voluntary guide developed to ensure consistency and accuracy on pet food labels. These guidelines are also intended to make it easier for Canadian consumers to clearly understand what they are feeding their pets. They were developed by a working group comprised of Canadian pet food manufacturers and importers, representatives from the Competition Bureau and the Government of Canada, as well as consumers. This document is an accepted standard in the pet food industry, and recommends that pet food labels contain at least the following information in addition to the items outlined by the *Consumer Packaging and Labelling Act*:
  - Ingredient list in descending order by percentage of product weight.
  - Feeding instructions.
  - Guaranteed analysis (information on the minimum and maximum nutritional quantities, such as the percentage of protein, fat, fibre and moisture).
  - Nutritional adequacy or intended life stage for which the food is suitable.
- Ingredients must be listed and identified by their common name. When an ingredient or combination of ingredients makes up 90% or more of the total weight of all ingredients, these ingredients may also form a part of the product name. For example, if the product contains 90% or more beef, it may be called "XXX Brand Beef Dog Food".
- The Government of Canada's enhanced animal health safeguards, implemented in July 2007, make it illegal for specified risk materials to be fed to any animal, including dogs and cats.
- In July of 2009, Canada introduced new regulations regarding the importation of commercial pet food from the United States. Under the new regulations, importers must apply for and present a valid import permit from the Canadian Food Inspection Agency (CFIA)** in order to transport commercial pet food across the border.

Source: *Pet Food Association of Canada, 2012*

*To view the complete guide: http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/eng/01229.html
**To view the complete CFIA Pet Food Program: http://www.inspection.gc.ca/animals/feeds/pet-food/eng/1299870750016/1320602183408

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Agriculture and Agri-Food Canada
1341 Baseline Road, Tower 5, 4th floor
Ottawa, ON
Canada K1A 0C5
E-mail: infoservice@agr.gc.ca

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