

Toronto

Food & Beverage

The respected food and beverage companies who have operations in Toronto are strategically positioned to serve not only southern Ontario, but points east, west and especially south, in the lucrative and readily accessible U.S. market. Half of the growth of small and medium-sized processors is driven by exports. A significant source of revenue as well as a major employer, the fast-paced, highly adaptable food and beverage cluster will continue to be a vital contributor to Toronto's economic growth over the coming decade.

"When we looked for a location to produce innovative, high-quality food products with state-of-the-art packaging, our Toronto manufacturing facility seemed a natural fit. We were able to capitalize on the skilled and experienced labour force, the easy access to North American markets and the support from local government agencies. Toronto excels as a major centre for food processing in North America."

PETER STEVENS, VICE PRESIDENT MANUFACTURING –
CANADA, CAMPBELL SOUP COMPANY

NEXT STEPS

Our expert team is ready to answer all your questions about business and investment opportunities in Toronto's dynamic food and beverage cluster. We offer an in-depth cluster profile, brochures on the city's other economic clusters and helpful liaison with government and industry organizations. Please contact the Toronto Economic Development Office:

416 392 3375

www.toronto.ca/business

 **TORONTO** Economic Development



Toronto's food and beverage cluster is the third largest – and the fastest growing – in North America. What feeds its success? First, a remarkable level of product development driven by ethnic diversity (and therefore a strong demand for specialty foods) as well as a highly innovative retail community. Second, a co-packing industry that is nimble, flexible and open to change. Add in a tradition of exemplary quality standards and the presence of key industry players with global connections, and you have a recipe for sustained growth.



KEY INGREDIENTS

- > Toronto's 400 food and beverage processing facilities employ 25,000 people – 12% of the total manufacturing labour force.
- > Specialty processors (25% of cluster) reflect Toronto's vibrant multi-ethnic community and its export connections abroad.
- > Small and medium-sized food enterprises (65% of cluster) are experiencing the fastest growth and highest export potential.
- > Food and beverage exports accounted for 50% of cluster growth (1997–2002).
- > \$15 billion in annual sales represent 50% of food and beverage sales for Ontario.
- > Food and beverage plants can draw from a rich pool of mechanical professionals, artisan workers and production-line personnel with valuable industry training and experience.
- > Other local advantages include a large and flexible co-packing capacity; progressive retailers eager for innovative products; excellent technical and scientific support services; a long-standing culture of quality and exemplary food safety standards; the presence of multinational processors with global mandates; and a proven potential for successful joint ventures in the cluster.

- > Toronto's food and beverage processing capacity is expected to double between 2002 and 2012, adding 10 to 15 million ft².
- > Over the same 10-year period, employment is expected to increase by 10,000 positions as sales grow at an annual average of 12%.

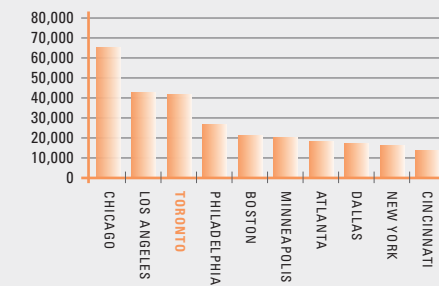
MAJOR PLAYERS

Campbell Soup Company, Canada Bread, Gay Lea Foods, George Weston Limited, Kraft Canada, Labatt Brewing Company, Maple Leaf Foods, Molson Breweries, Nestlé Canada, Parmalat, Redpath Sugar.

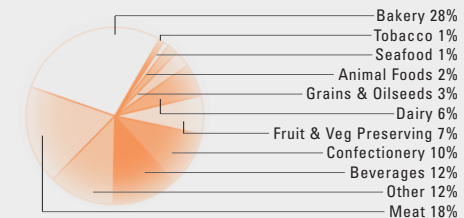
SUPPORT SYSTEMS

- > A range of government programs designed to promote and stimulate the food and beverage cluster include the Toronto Kitchen Incubator sponsored by the City of Toronto.
- > Food-related trade shows held in Toronto include: The Canadian/International Food and Beverage Show, Grocery Innovations Canada, HostEx, Bakery Showcase and PACEx International.
- > The Ontario Food Terminal is the largest wholesale fruit and produce distribution centre in Canada and ranks in the top five by volume in North America.

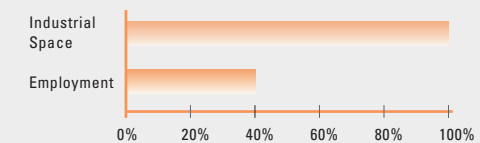
TORONTO IS A MAJOR FOOD PROCESSING EMPLOYER (number of employees, based on 1999 figures)



WHAT MAKES UP TORONTO'S FOOD AND BEVERAGE CLUSTER? (based on 2001 Census figures)



TORONTO'S FOOD PROCESSING CLUSTER IS GROWING (based on projected growth rates, 2002–2012)



WHY TORONTO?

- > With a population of close to 5 million, the Toronto region is Canada's largest and North America's sixth-largest urban area. Local consumers represent 14% of the Canadian retail market.
- > One-quarter of all Canadians live within a 150 km radius. Some 100 million Americans and half of all U.S. businesses are within a day's shipping distance.
- > Efficiently served by four major highways, multi-modal rail facilities, a Great Lakes port and an international airport, Toronto is a true North American gateway.

Our brief overview *Toronto: A Diversified Economy* has more on the availability of capital, communications infrastructure, real estate opportunities, extensive public transit (the second-largest system in North America), vibrant cultural life and clean, safe streets – all factors that led *National Geographic* to rate Toronto “the most civil and civilized city in the world.”