



## Canada's

### Agriculture, Food and Beverage INDUSTRY

## Canada's Snack Food Industry

Canada's snack food industry includes manufacturers of potato chips, corn chips, popped popcorn, pretzels, extruded cheese snacks, seed snacks, mixed nuts, peanuts and peanut butter, as well as pork rinds.

Key commodity inputs needed to make snack food products include potatoes, cornmeal, cereal grains, nuts, seeds, oils and seasonings. The bulk of raw inputs for this industry, potatoes and oil, are supplied domestically.



The majority of snack food manufacturing takes place in Ontario and Quebec. However, large plants are also located in Western Canada and the Maritimes. There are also many small and medium Canadian-owned firms located across the country serving regional markets.

Production facilities which make snack food products range in size from small, one-or two-person operations, to large plants employing up to 550 people. In total, the snack food industry employed 7,547 people in 2003, a 5 per cent increase from 1999.

The snack food industry has exhibited steady growth in recent years. In 2003, it accounted

for 2.2 per cent of the total value of food and beverage shipments, 2.8 per cent of employment in the food and beverage sector, and 1.5 per cent of the food and beverage establishments (plants).

To remain competitive in both domestic and export markets, the industry has made efforts to increase efficiency and productivity by rationalizing plants and making significant upgrades to equipment.

In 2003, A.C. Nielsen data reported Canadian sales of snack foods at major grocery retail outlets totaling \$716 million. Potato chips led in this category with about 49 per cent of total retail sales, followed by tortillas and corn chips (24 per cent), shelled nuts (14 per cent), extruded snacks (7 per cent), pretzels (4 per cent), and popped popcorn (1 per cent).

In 2003, 89 Canadian snack food manufacturers shipped \$1.6 billion worth of products. Of this amount, 9.8 per cent, or \$160 million, were exported, mostly to the United States. Canada also imported \$214 million worth of snack foods (with \$184 million coming from the United States).

From 1990 to 2003, the value of Canadian shipments of potato chips, tortilla chips, pretzels, popcorn and cheesies and other snack food products almost doubled, growing from \$909 million to a value of \$1.6 billion.

Growth in the snack food industry has attracted new entrants into the market and expansion into niche snack products. Products that offer novelty flavours, shapes, or unique ingredients have been introduced. There is also an increased selection of organic snack foods. These new product offerings are an extension of an already successful and expanding Canadian industry.



*Quality*  
is in our nature



## **For More Detailed Information**

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**Further information on products,  
suppliers and investment opportunities in  
the Canadian agri-food industry is  
available on the Agri-Food Trade Service  
web site at: [www.ats.agr.gc.ca](http://www.ats.agr.gc.ca)**

Canada's food and agricultural products reflect our dedication to excellence, and our deep commitment to safety, quality, environmental responsibility, innovation and service.

In every facet of our industry, we seek to earn the trust of our customers by answering their needs and exceeding their expectations. Those values along with our belief in building strong relationships, have given Canadian agriculture and food products an international reputation for excellence. Customers around the world know that they can trust the goodness of Canada.



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