



THE Russian Market Place

U.S. AGRICULTURAL TRADE OFFICE - MOSCOW

JULY HIGHLIGHTS

Protecting Russian Consumers:
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Dmitri Yanin

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Protecting Russian Consumers

Consumer protection and safety in Russia is now being addressed by non-government organizations thanks to the help of Dmitriy Yanin, Chairman of the Board of the International Consumer Society of Russia, an organization that provides consumers with professional assistance, judicial protection, independent and objective information, consumer alerts, and protection and representation in interaction with businesses. Dmitriy Yanin met with ATO Moscow to discuss his organization and career and to give his thoughts on consumer markets in Russia.

Dmitriy Yanin graduated in 1997 from the University of Social Trade in Moscow. He joined the International Consumer Society in 2002 after becoming interested in the expansion of product diversity. He also saw the vital need for consumer protection institutions, which were in their infant stages of development. Regardless of difficulties Yanin faces in providing consumer safety and protection, he remains optimistic because Russian citizens continue to gain financial power and market knowledge.

The International Consumer Society consists of 57 groups of national and regional consumer organizations from six Commonwealth of Independent States (CIS) countries. The regional groups founded the organization shortly after the collapse of the Soviet Union, and it is one of only two consumer unions active in Russia.

Russia's per capita GDP has grown by an average of 6.7 percent annually over the last eight years, fueling consumer demand. "Consumers cannot stop trying new things at the market," Yanin commented. Processed foods are becoming more popular and people are shopping less at local markets where they have traditionally purchased fresh produce, meat, and dairy products. Also, alcohol and tobacco consumption of are not decreasing as wealth increases.

Yanin Interview (Cont.)

As consumption increases rapidly, the array of issues that the Consumer Federation addresses has stretched from illegal banking fees to banned wine imports. One issue that the Consumers Society recently took up is genetically modified organism (GMO) labeling. Currently labeling is required, but there are no explicit regulations describing what constitutes a GMO product label, unlike the EU, which specifies a 0.9% threshold.

The Consumers Society tackles issues as they arise while simultaneously running long-term programs to encourage heightened consumer awareness in a younger generation. For example, an all-Russian Olympics of Consumer Knowledge is held annually, quizzing school children on their knowledge of laws, product selection, service selection, labeling, and rights protection. The winner receives a scholarship to one of Moscow's top business universities.

Funding for the International Consumers Society of Russia comes entirely from international sources. It is becoming increasingly difficult to obtain because of government regulations and decreasing availability from the United States and European Union.

US Products Highlighted on Prime Time Russian TV

On July 7, 2007, Domashniy TV broadcast the final episode of Foreign Fancies, a TV series that was filmed in the United States during a media tour organized by the Agricultural Trade Office (ATO) and American Trade Associations. The shows ran on Domashniy TV twice a week for almost five months.

Because of the shows popularity, it was shifted to prime time on Saturdays. Domashniy initially intended to produce 14 episodes, but stretched their footage to make 16 shows also because of shows high ratings.

The ATO is in the process of organizing a second tour with Domashniy during August 9-23, this time touring sites in Colorado with the United States Meat Export Federation, in Virginia with Virginia's Department of Agriculture, and in Washington State with the Washington Apple Commission. ATO marketing specialist, Daniil Schultz, will coordinate the tour.



Pictured are Svetlane Gvozd and Natalia Comizzoli, ATO marketing specialist, visiting the Farmland stand at the National Restaurant Association Show in Chicago, IL.



Food Safety event in Ekaterinburg. From Left: Deputy Director of the Nutrition Institute of Russian Academy of Medical Science Dr. Alexander Baturin, a Representative of retail in Ekaterinburg, ATO Director Eric Wenberg, Hotel Vizavi chef Sergey Alyabiev, and Uncle Sam's Café chef Sergey Anikin.



The Foreign Agriculture Office staff: (Front) Dana Johnson, Jordan Clark, Kim Svec, Marina Muran, Svetlana Il'yina, Ksenia Evdokimova, Natalia Merinova, Marina Mitroschenkova, Yelena Vassiliyeva, Mikhail Maximenko, Daniil Schultz, Andrey Gryaznov, Vladimir Timoshenko, (Back) Erik Hansen, Allan Mustard, Eric Wenberg, Natalia Comizzoli, Chelsea Brown

The Industry

Increasing Demand of Food

Russia's appetite for consumer goods is increasing faster than any economy in Western Europe. Decreased unemployment and lower interest rates are making Russians more confident in their economy, and household spending is matching this confidence. Russians currently spend 46 percent of their income on food, a higher proportion than any other European nation. Traditionally, Russians entertain at home, but dining out is becoming a popular option. Both in retail and restaurants, the market for fresh, high-quality food products is large, and getting larger.

World Food and Golden Autumn

October 12-16: Golden Autumn is the largest Russian trade show in the area of production agriculture, organized by the Russian Ministry of Agriculture. U.S. animal, poultry and plant genetics companies, producers of high-grade feeds, animal nutrients, additives and technology are encouraged to participate.

September 12-21: World Food is an excellent opportunity to introduce U.S. food and beverage products in Russia. This event is the largest international show and conference for importers, wholesalers, and food processors in Russia.

ATO Moscow can provide you with more information. Please email Ksenia.Evdokimova@usda.gov regarding World Food or Daniil.Schultz@usda.gov regarding Golden Autumn.



News and Notes

The Food Guide Pyramid Comes to Russia

A series of master classes have been organized by the ATO featuring a number of highly regarded Master Chefs. These classes are held in a variety of locations throughout Russia and are designed to increase awareness of the quality of U.S. foods and introduce American cuisine. A December demonstration at the Culinary Festival in Moscow attracted overflowing crowds with American lobster, poultry, and Southwestern cuisine. The chefs also directed audiences to www.usfoods.ru, a website informing Russian consumers about the food safety system and quality checks in the American system, along with providing nutritional facts and recipes. The website is a global initiative of the MAP program involving five U.S. associations from the poultry meat, pea, lentil, apple, and pear industries. Future classes are scheduled in Kaliningrad, Kazan, and Yekaterinburg. For more information, contact the ATO Moscow.



Пирамида питания

U.S. Food Quality and Safety Programs

On January 30, the U.S. Food Quality and Safety Program was unveiled in St. Petersburg. This program was attended by over 80 guests and featured presentations by Eric Wenberg, Director of the ATO Russia, Consul General Mary Kruger, and Program Spokesperson Dr. Alexander Baturin. The event caught the attention of the local media and generated a great deal of positive press about the quality and safety of American foods. Importers also mentioned www.usfoods.ru as a helpful place to guide customers for additional information. The website is now one of the most frequently viewed nutrition websites in Russia with over 200 visitors each day.

ATO Russia

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ATO Upcoming Events

September 5

Wine tasting at U.S. Embassy in Minsk, Belarus

September 14-16

Vladivostok Culinary Show

September 18-21

World Food Moscow, U.S. Pavilion

October 12-16

Golden Autumn, U.S. Pavilion for production agriculture: genetics, seeds, and other products

USDA in Russia

The Agricultural Trade Office (ATO) in Moscow, part of USDA's Foreign Agricultural Service (FAS), with the support of satellite offices in St. Petersburg and Vladivostok, works closely with importers, wholesalers and retailers to promote the import and sale of U.S. food, beverage, and agricultural products throughout Russia. The ATO conducts promotional activities to help introduce new products and promote U.S. food and agricultural products already available in the Russian market. We support the activities of USDA's foreign market development cooperators and U.S. producer and trade associations participating in the Market Access Program (MAP). In Russia, FAS operates an Office of Agricultural Affairs at the U.S. Embassy, directing all of USDA's operations and programs not only in Russia, but also in Georgia, Armenia, and Belarus. While ATO Russia supports USDA's market development efforts, the Office of Agricultural Affairs negotiates for greater market access for U.S. products in Russia, supports USDA's effort to improve Russian agriculture, and operates a reporting program.

The ATO offers a range of programs and activities that are designed to help link U.S. exporters and Russian buyers:

- [Trade Leads](#)
- [Buyer Alert](#)
- [Foreign Buyer Lists](#)
- [Market Reports](#)
- [Trade Shows](#)
- [Trade Missions](#)



The ATO also provides the following services:

- ✓ arrange appointments for first-time visitors;
- ✓ organize trade team visits;
- ✓ coordinate participation in trade shows, seminars and other activities where U.S. exporters can meet Russian importers;
- ✓ provide advice on market development project plans of U.S. business groups, trade associations and USDA market development cooperators; and provide briefings on Russia's import regulations, trade volume and marketing channels.