

# The International Egg Commission

Comisión Internacional del Huevo · Le Comite International pour les Oeufs

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#### January 2006

#### **IEC News**

IEC Response to OIE
IEC Support Group 2006
Chick Placement Statistics

#### **International News**

Chinese Egg Industry WTO Hong Kong Al in Turkey Food Marketing News

#### **IEC Events**

IEC London 2006 - 26 - 28 March

IEC Guadalajara 2006 Annual Conference, Mexico

- 17 - 22 September

World Egg Day - 13 October 2006

# IEC London 2006: 26 - 28 March

Don't forget to mark your calendar with the dates for IEC London 2006. The IEC's Spring conference will be held in London at the Royal Horseguards Hotel between Sunday 26<sup>th</sup> and Tuesday 28<sup>th</sup> March. Online booking will be available via the website and further information on accommodation is available on the "Events" section of the website. Registration forms will also be sent to you by mail.

# **IEC Launches New Website**

The IEC launched its new website on 10<sup>th</sup> January 2006. The launch of the initial site will be followed by a series of additional modules to the website including an all new interactive statistics database for chick placements and egg industry trading figures, on-line conference registration available for IEC London 2006, an international directory and a brand new consumer site.

The new website will continue to provide a wealth of detailed information, and will be updated on a regular basis. The web address will remain the same at: www.internationalegg.com.

### **Member-Only Website**

The member-only information continues to grow in importance and now has a **completely separate website**, laid out in the same format as the public site. The member-only website contains key information that is only available to current members of the IEC.

IEC Members should continue to use their existing passwords to access the "member-only" website, from the login section of <a href="https://www.internationalegg.com">www.internationalegg.com</a>. If you do not yet have a password or you need a new password, please contact Philippa at the IEC office.

# **IEC Response to OIE Investigation**

The OIE is currently investigating ways to inactivate the AI virus, and has asked the IEC to comment on its draft standards, which are outlined below. The IEC intends to submit comments to the OIE on this issue, as part of its ongoing representation of IEC members to key international organisations.

If you have any comments on the IEC response, please contact Julian at the IEC office before 10<sup>th</sup> February 2006. If we do not receive any comments before this deadline we will submit the comments as drafted.

#### **Proposed IEC Response:**

#### **Draft OIE Egg Pasteurisation Standards**

The International Egg Commission (IEC) welcomes the opportunity to comment on the OIE's draft "Guidelines for the Inactivation of the Avian Influenza Virus".

#### Request:

The IEC requests that the OIE "Guidelines for the Inactivation of the Avian Influenza Virus" contain a statement that "Other time/temperature combinations may be used to achieve a 7 Log10 EID50/gm AI inactivation".

The OIE's draft guidelines cover two distinct and separate areas of the further egg processing industry: the pasteurisation of liquid eggs and the pasteurisation of dried egg.

#### **Liquid Egg:**

All of the proposed standards for **liquid egg** pasteurisation contained in the draft OIE "Guidelines for the Inactivation of the Avian Influenza Virus" are currently used as standard working practice across large sections of the international egg processing industry, and are within normal time and temperature regimes.

#### **Dried Egg:**

The proposed standard for **dried egg white** pasteurisation contained in the draft OIE "Guidelines for the Inactivation of the Avian Influenza Virus" is likely to cause concern in some sectors of the main-stream egg processing industry even in developed countries.

Scientific research carried out by Dr Swayne would suggest that some current mandatory standards for the pasteurisation of dried egg whites (USA) are not effective in the inactivation of avian influenza.

The physical process of drying egg whites is complex. In addition to the primary need to satisfy food safety criteria, egg processors need to consider other customers demands such as various types of "functionality" of the pasteurised egg product ("functionality" related to the performance of the egg product in the next stage of processing the food, such as its usefulness as a whipping agent).

#### Conclusion:

A "7 Log reduction" will provide additional protection over and above the level of virus (5 Log) that current scientific literature shows may be present in raw egg. This approach would ensure that the OIE Guidelines were founded on a science based outcome and would also more easily promote the development of new technologies that may be beneficial for food safety.

#### OIE DRAFT Guidelines for the Inactivation of the Avian Influenza Virus

#### Eggs and egg products

The following industry standard procedures are suitable for the inactivation of the highly pathogenic notifiable avian influenza (HPNAI) virus present in egg and egg product.

	Degrees <u>Celsius</u>	Degrees <u>Fahrenheit</u>	<u>Time</u>	
Whole egg	60	140	210 seconds	
Whole egg blends	<i>60</i>	140	372 seconds	
Whole egg blends	61.1	141.98	210 seconds	
Liquid egg white	<i>55.6</i>	132.08	372 seconds	
Liquid egg white	<i>56.7</i>	134.06	210 seconds	
10% salted yolk	62.2	143.96	372 seconds	
10% salted yolk	63.3	145.94	310 seconds	
Dried egg white	67	152.6	15 days	

Source: OIE Terrestrial Animal Health Standards Commission / September 2005 Appendix 3.8.X

# **IEC Support Group - 2006**

The "IEC Support Group" has had a successful first year in 2005, with Support Group Members benefiting from increased company exposure through their logos being included on IEC printed materials, the Home Page of the IEC website, and through including marketing material in IEC conference packs.

The opportunity to join the IEC support group for 2006 is now open to all IEC Company members. The "IEC Support Group" will allow members to promote their company's products and services to key decision makers in the international egg industry through a range of IEC communication channels. The annual package of measures provides the facility to target your company marketing message directly to the right audiences around the world.

The cost of IEC Support Group Membership remains the same at just GB £1,000 for a 12 month period running from 1<sup>st</sup> March 2006. This year's support group members will also benefit from increased exposure from the excellent new IEC Website. The number of places in the support group is strictly limited and will be issued on a first come first serve basis. To register your application please contact Philippa at the IEC office.

# IEC London 2006 - 26th to 28th March

Now is the time to plan your visit to the IEC London 2006 Conference. Conference application forms will be sent to you along with additional details in early February, when electronic conference registration application via the new IEC website will also be available by logging on to the IEC website <a href="https://www.internationalegg.com">www.internationalegg.com</a> and following the link in the "Events" section.

#### **Conference Accommodation**

Accommodation can now be booked at the conference hotel, The Royal Horseguards Hotel, which is situated at 2 Whitehall Court, London, SW1A 2EJ. The guaranteed conference rate at the Royal Horseguards is £165 / night for a double room including breakfast and local taxes. Room bookings need to be made by 27<sup>th</sup> February to secure this discounted conference rate. After this date the hotel cannot guarantee bookings.

To make your reservation please contact the Groups Desk at <u>GroupsDesk.London@Thistle.co.uk</u> or by telephone: +44 (0) 870 333 9182 (Option 1) fax: +44 (0) 20 7930 4010.

Please quote Block Code: INTE270306 when booking.

#### **Strong Conference Programme**

This year's IEC Spring Conference will be in London from 26<sup>th</sup> to 28<sup>th</sup> March 2006, at One Whitehall Place, Westminster. Delegates will hear from speakers on a series of topical issues including: Marketing issues – Monday 27<sup>th</sup> March and Egg Processing Issues – Tuesday 28<sup>th</sup> March

#### **Chairman's Reception**

IEC Chairman, Willi Kallhammer invites you to his Chairman's Reception which will be held on Sunday  $26^{th}$  March at 6pm - 7.30pm in the main lounge and terraces of Farmers Club, overlooking the River Thames, and the Embankment Gardens.

#### **Gladstone Library Banquet**

Following last year's success the Conference Banquet will again be held on Tuesday 28<sup>th</sup> March at 7.30 pm - Midnight in the historic Gladstone Library of the former National Liberal Club, in One Whitehall Place. Pre-dinner drinks will be served in the adjoining Reading and Writing Rooms.

Further details are available from the IEC office and will be posted on the website.

# **IEC Chairman Honoured with State Award**

December 21, 2005 was a great day for IEC Chairman Willi Kallhammer, who was awarded Austria's mark of distinction, "The Silver Medal of Honour of Merit for the Republic of Austria". Austria's Federal President, Dr. Heinz Fischer commented with pride on the outstanding work Mr. Kallhammer has carried out in the international egg industry. Mr Kallhammer's work on improving egg marketing has resulted in both strong business performance and being awarded the IEC Denis Wellstead Memorial Award for "International Egg Person" of the year 2003. The President said that there was good reason for Austria to be proud of its son.

Dr. Martin Bartenstein, Minister for Economy and Labour, who presented the award to Mr Kallhammer in the festive environment of the marble hall of the government building, commented that his business achievements of exporting egg packs all over the world was a great achievement and that he had truly earned this high Austrian mark of distinction and honour.

#### **IEC Sponsorship 2006**

If you or your company would like to support the IEC at London or Guadalajara 2006, please contact Philippa at the IEC Office: <a href="mailto:philippa@internationalegg.com">philippa@internationalegg.com</a>. IEC will be providing a number of individual cost contribution sponsorship opportunities. Not only will this help to raise your company's profile, but it will help us provide the best events for our delegates.

#### **New IEC Members**

As IEC membership continues to grow, we would like to welcome the following new member:

Gab Soon Kim - Natural Health Technologies, USA

# International Chick Placement Statistics - By Mark Williams

EU January - September 2005 placements down 3%, USA unchanged

During September 2005, EU chick placements showed a provisional increase of 2% compared with the same month in 2004 (23,072,000 compared with 22,523,000).

Increases during September 2005 were recorded in; France (+9%), Germany (+9%), the Netherlands (+13% provisional), Spain (+8%) and Sweden (+31%). Decreases were recorded in; Austria (-22%), Denmark (-17%), Finland (-13%), Ireland (-25%), Italy (-10%) and the UK (-8%).

During the period January – September 2005 EU chick placements showed a provisional decrease of 3% compared with the same period in 2004 (197,895,000 compared with 204,317,000) and were 3% lower than the same period in 2003 (204,337,000).

Placements during September 2005 decreased by 19% in Hungary.

Placements during September 2005 increased by 10% in Switzerland and decreased by 12% in Norway.

During September 2005 placements increased in; Canada (+14%), Brazil (+19%), Australia (+8%), New Zealand (+9%), South Africa (+22%) and Japan (+10%).

During September 2005 placements in the USA decreased by 8% on the same month in 2004. During the period January – September 2005 placements in the USA were unchanged on the same period during 2004 (163,936,000 compared with 163,351,000) and were 3% higher than the 2003 level (158,416,000).

#### INTERNATIONAL CHICK PLACEMENTS

#### JULY/AUGUST/SEPTEMBER 2005

#### PERCENTAGE CHANGES 2005/04

### **Country**

Country		2005/04							
	2004/03	Jan/Jun 2005	May	Jun	Jul	Aug	Sep		
	%	%	%	%	%	%	%		
<b>European Union</b>	-3	-5	+7	-7	-1	-2p	+2p		
Austria	-7	-15	-23	-25	+5	+90	-22		
Belgium	-13	-12	+41	-46					
Denmark	-4	-3	-2	+49	+25	+16	-17		
Finland	-3		+18	-1	-1	-17	-13		
France (a)	-1	-1	+12	+6		-17	+9		
Germany	-19	-1	+10	-11	-21	-4	+9		
Ireland	+86	+6	-18	+49	-17	-18	-25		
Italy	-3	+4	+2	+2	-3	-9	-10		
Netherlands	+26	+12	+44	-4	+24	+19p	+13p		
Portugal	-14		-33						
Spain	-8	-27	-17	-32	+9	+7	+8		
Sweden	+4	+2	+35	-6	-32	+25	+31		
United Kingdom	+6	-9	+7	-3	+4	-10	-8		
EU New Member States									
Hungary (a)	+5	-28	+32	+114	-29	+63	-19		
Other European Countries									
Norway	+1	-7	+40	-4	+7	+4	-12		
Switzerland	•	+4	+18	•	-7	-29	+10		
Other Countries									
Canada	-1	-3	•	+11	-1	-9	+14		
U.S.A.	+5	+1	-2	-8	+1	+6	-8		
Brazil	-1	+15	+21	+26	+18	+23	+19		
Australia	+13	-5	-48	+69	-18	+7	+8		
New Zealand	+6	+5	-8	+30	-41	-23	+9		
South Africa	+5	+1		+17	+3	+6	+22		
Japan	-4	+8	+16	+6	-8	-7	+10		
India	+10	+5							

<sup>(</sup>a) Intensive sector F = Forecast P = Provisional . = No change

# **International News**

# International Events

# **2006**

International Poultry Expo Atlanta, Georgia, USA - 25 – 27 January

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Pig & Poultry Focus Asia Bangkok, Thailand - 20 – 22 February

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British Egg Conference Sutton Coldfield, UK - 22 – 23 March

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6<sup>th</sup> International Symposium on Avian Influenza Cambridge, UK - 3 – 6 April

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Agri China Beijing, PR China - 11 – 12 April

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VIV Europe 2006 Utrecht, The Netherlands - 16 – 18 May

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# **Asia**

# <u>The Chinese Egg Industry 2006</u> - By LinLin Han

When the first human bird flu case broke out in China, not many people were surprised. It was expected to happen in this heavily populated country a lot earlier.

Now in Beijing, the Capital of China, the egg prices dropped to the same lows that were experienced during the 2003 bird flu outbreak. At the moment, there is still no sign of the market picking up on either the price or the quantity.

The development of supermarket chains has changed the purchasing habit of the Chinese consumers. With the emergence of the Chinese middle class, more people have started shopping for groceries in supermarkets instead of the street markets. Eggs that are packaged and branded as "green" (similar to the Organic standard in the west) have mainly managed to maintain a relatively stable price and reasonable sales at a time when loose eggs in markets are being badly affected by the bird flu situation.

All poultry related industries have felt the impact of the disease. KFC of "YUM! Group" has predicted a 20% reduction in sales. In the areas infected with bird flu, sales of chicken meat have decreased to minimal levels. However, in major cities like Shanghai and Beijing, people did not seem to be bordered too much by the chicken meat in restaurants like KFC.

The bird flu situation in China has raised awareness of food safety issues related to both egg and chicken products. An increasing number of food factories are substituting shell eggs with liquid eggs or egg powder. The largest egg powder factory in China, Hanovo Foods, which has a capacity of 5000 tons of egg powder per year, opened on 18th December 2005. However we are yet to see the major restructuring of the egg products market of China.

#### New bird flu outbreak in southwest China

China confirmed a bird flu outbreak in the southwestern province of Sichuan, according to the Food and Agriculture Organization. Adding cold weather and Chinese New Year holidays could mean more cases to come. More than 1,800 poultry were found dead on Dec. 22 on a farm in Sichuan's Dazhu county and Agriculture Ministry officials sent to the area confirmed the birds had the H5N1 strain of the virus. Since then, 12,900 poultry in the region had been culled to try to contain the virus.

Source:www.chinapost.com.tw

#### **Vietnam Clear of Al for 2 Months**

The past 50 days saw no new human case of the H5N1 flu virus anywhere in the country, announced the National Steering Board for Flu Prevention at a regular session held in Ha Noi on 4<sup>th</sup> January. Representatives from the Veterinary Department under the Ministry of Agriculture and Rural Development at the session said the central Nghe An province has been declared to be free from bird flu, as no new outbreak was reported over the past 21 days, the period required for an affected locality to become free from the epidemic.

Source: http://www.vnagency.com.vn/

# **WTO Hong Kong**

After six days of intensive negotiations at the 6th WTO Ministerial Meeting in Hong Kong, Ministers from the WTO's 149 member governments approved a declaration that many described as significant progress both since the July 2004 "package". Hong Kong's Commerce, Industry and Technology Secretary John Tsang, who chaired the conference, outlined the key points in the declaration saying:

- "Securing an end date for all export subsidies in agriculture".
- "In agriculture and NAMA (non-agricultural market access), we have fleshed out a significant framework for full modalities."
- "We have a very solid duty-free, quota-free access for the 32 least-developed country members".

IEC Statistical Advisor Mark Williams attended the 6<sup>th</sup> WTO Ministerial Meeting which was held in Hong Kong between 13<sup>th</sup> and 18<sup>th</sup> December 2005, and was one of the 2,200 Non-Governmental Organisations (NGO) representatives present from over 1,000 NGO's (representing a wide variety of sectors, with agriculture being just one). The 2,000 delegates, the negotiating teams from the 149 WTO member countries and their officials, were also joined by 3,000 press.

Mark commented that on agriculture, Ministers went to Hong Kong to negotiate market access. However, nearly all negotiations took place on export refunds, and other forms of export competition. Therefore, there has been no progress on market access, and in particular, on sensitive products. He also pointed out that all the potential progress made still remains subject to the 'single undertaking' (nothing is agreed until everything is agreed). With the 44-page document now agreed, members face intense pressure in this year to complete "full modalities" in agriculture and non-agricultural market access by the new deadline they have set themselves, 30 April 2006.

# **Europe**

#### Avian Influenza (AI) outbreaks in Turkey

According to the latest information received from the joint team of experts, as of 8 January 2006 a total of 13 AI (H5) outbreaks have been confirmed by virus isolation in 8 provinces (Igdir, Erzurum, Sanli Urfa, Erzincan, Agri, Bitlis, Yozgat, Ankara), mostly in backyard flocks. Within the Ankara region, AI (H5) virus was isolated in one wild duck. The first official notification of the outbreak by the Turkish authorities was on 15<sup>th</sup> December.

The World Organisation for Animal Health (OIE) is particularly concerned about the very bad weather conditions in Eastern Turkey that are making any technical intervention very difficult and that also favour a longer survival of the animal virus in the environment. The OIE also suspects that neighbouring countries may also be susceptible to Avian Influenza outbreaks and that they should therefore increase their levels of surveillance. The OIE has strongly recommended implementing all classical control methods (stamping out) to stop the animal outbreaks and also to consider the use of vaccination as an additional tool if appropriate.

The outbreak in Turkey has also attracted widespread media coverage because of human deaths that are currently being linked to the outbreak.

### Further Cooperation Between German and Dutch Egg Quality Systems

On 7th December, German and Dutch representatives of the respective egg quality systems signed a letter of intent indicating further cooperation between the two countries. Within the framework of the European Egg Consortium arrangements will be made to coordinate the regulations, the audits and certification between the German KAT and GGE-system and the Dutch IKB system. The letter of intent was signed by Caspar von der Crone (KAT), Christine Amling (GGE), Franziska Ginthör Reuber (EEC), Jos Ramekers and Ben Dellaert (both IKB). The advantage of this cooperation is that in due time eggs can be exchanged between the both quality systems and double audits can be skipped.

# EU boosts fight against avian flu

The European Commission has announced on 11 January that it will provide up to €2 million for the on-going surveillance of bird flu in Europe, as the spread of the virus throughout Turkey continues to threaten Europe's borders. The decision, which foresees an extension of surveillance measures already in place, was reached during a meeting of the Standing Committee on the Food Chain and Animal Health (SCOFCAH) in Brussels that morning. The money – which will be given as a 50-50 financial contribution to help member states carry out laboratory tests on poultry and wild birds – will cover the period from the end of January up to December 31, 2006. The Commission recently said that around 25 000 wild birds have been tested for avian flu in Europe since surveillance measures were stepped up in October, yet so far not one single bird has tested positive for the deadly H5N1 strain of the virus.

The decision to extend measures in Europe comes as cases of the virus in Turkey continue to mushroom. Meanwhile, Reuters reports that the Romanian authorities have announced the discovery of possible new cases of bird flu in poultry in the West of the Danube Delta – an area where the deadly strain of the virus was first uncovered in October. So far, no bird flu cases in humans have been reported outside Turkey, where two people are known to have died from the virus and up to 48 are potentially infected.

Source: Agra Europe Weekly Wednesday January 11 2006

#### **New EU Directive to cover Avian Influenza**

This Directive has been in the Brussels pipeline for the past year, it has gone through in record time. The Directive will be published in the Official Journal in January.

The new measures include:-

- Allowing member states to slaughter birds found to have a low pathogenic virus and introduce movement controls around the affected area;
- Boosting surveillance for the disease with programmes for sampling of flocks;
- Introducing powers to restrict movements on suspicion of disease and national or regional movement restrictions after disease is confirmed;
- Allowing state vets to apply controls flexibly to keep industry operating in a biosecure way;
- Requiring Member States to keep a central register of commercial poultry keepers.

The new Directive will allow exemptions, for example, for rare species but only if disease control is not jeopardised

Source: NFU (UK)

# **Americas**

# **Eating Eggs may Promote Weight Management**

Can eating eggs for breakfast reduce food cravings and help weight control? Research in the USA has been conducted to look at the "Short-term Effect of Eggs on Satiety in Overweight and Obese Subjects". The research aimed to test the hypotheses that among overweight and obese participants, a breakfast of eggs, in comparison to an (isocaloric) equal-weight bagel-based breakfast, would induce greater satiety, reduce perceived cravings and reduce subsequent short-term energy intake.

In summary these data show that despite equal energy content and weight, in the short-term, an egg breakfast had a greater satiating effect compared to a bagel breakfast, which translated into a lower energy intake at lunch and that the resulting decrease in energy consumption lasted for at least 24 hours after the egg breakfast. The results have potentially significant implications. Eggs are an integral and established part of breakfast in a numerous cultures and the satiating effect of eggs may be useful in reducing energy intake thereby promoting weight management.

The original research is available from the "Download" section of the IEC website – www.internationalegg.com

#### **Venezuela Joins Mercosur**

Venezuela has joined Mercosur as its fifth full member. The South American Association now stretches from Tierra del Fuego in the South to the Caribbean in the North. The other full members are Argentina, Brazil, Paraguay and Uruguay. Mercosur was founded in 1991, comprising more than 200 million consumers, translated stands for a "common market for the southern core".

Source: ZVE News

### **USA - FDA to Require Food Manufacturers to List Food Allergens**

Effective from 1<sup>st</sup> January 2006, the Food and Drug Administration (FDA) in the USA is requiring food labels to clearly state if food products contain any ingredients that contain protein derived from the eight major allergenic foods. As a result of the Food Allergen Labelling and Consumer Protection Act of 2004 (FALCPA), manufacturers are required to identify in plain English the presence of ingredients that contain protein derived from milk, eggs, fish, crustacean shellfish, tree nuts, peanuts, wheat, or soybeans in the list of ingredients or to say "contains" followed by name of the source of the food allergen after or adjacent to the list of ingredients.

Source: http://www.wattnet.com/

# Food Marketing

#### **Wal-Mart Expands in Brazil**

Wal-Mart significantly reinforced its international business last month through deals in Brazil and Japan. In Brazil, the US group agreed to buy the local unit of Portuguese retailer Modelo Continente. The 635 million euro takeover covers 140 hypermarkets, supermarkets and wholesale outlets and will extend Wal-Mart's network to 295 stores. Following the acquisition of Bompreco in 2004, Wal-Mart has again strengthened its position as Brazil's number three retailer behind Carrefour and market leader CBD. In Japan, Seiyu shareholders approved the planned consolidation of the company by Wal-Mart. The US group last month raised its holding to over 50% and also secured the appointment of Edward Kolodzieski, former COO of Wal-Mart International, as Seiyu's new chief executive. Wal-Mart has been leading a reorganisation of Seiyu, notably through the use of its supply chain systems. However, the Japanese retailer has forecast a fourth consecutive annual loss for 2005.

Source: CIES - The Food Business Forum.

# Carrefour Expansion Planned in Korea, Poland

Carrefour is aiming to add at least 15 new hypermarkets in South Korea over the next three years. For 2006, the French group is expecting to open three new stores and remodel existing ones with branded areas for clothing, and financial services such as insurance and credit. For last year, Carrefour was expecting sales to increase by 10% to 2 trillion won (US\$2.0 billion). In Poland, the retailer is looking to double its number of stores over five years, supported by the possible introduction of 1,000m² (11,000 sq. ft) stores in smaller towns.

Carrefour currently runs around 100 hypermarkets and supermarkets, including 12 large hypermarkets bought from Ahold a year ago. In Spain, finally, the group has agreed to sell its 29 cash & carries under the Puntocash banner to Miquel Alimentacio. These different initiatives reflect Carrefour's ongoing drive to focus on major international operations and divest non-core activities.

Source: CIES - The Food Business Forum.

#### Aldi to Accelerate European Investments

Aldi has decided to develop stores in Poland for the first time. The German discounter is planning to acquire sites this year with a view to opening its first outlets in 2007. The retailer will join a growing discount sector in Poland that is led by Biedronka (Jeronimo Martins) and also includes Leader Price (Casino), Lidl (Schwarz), Netto (Dansk Supermarked) and Plus (Tengelmann). Aldi's planned entry into Poland reflects its accelerating expansion in Europe. The discounter has entered Switzerland and Slovenia in recent months and is expected to open its first stores in Portugal this year. In an illustration of its impact on public opinion, a jury of journalists and advertisers recently voted "Aldisierung" ("Aldi-isation") as the word of 2005 in the German-speaking part of Switzerland.

Source: CIES - The Food Business Forum.

#### **Albertsons Decides Against Outright Sale**

In the US, Albertsons decided last month to end talks over the sale of the company. According to press reports, the supermarket group had been close to agreeing to a US\$9.6 billion deal with a consortium comprising retailer and wholesaler Supervalu, property developer Kimco Realty Corp. and investment fund Cerberus Capital. Albertsons did not comment on any market rumours but said it was continuing talks with a view to selling specific underperforming activities. The company, which is the second-largest supermarket chain in the US, announced a strategic review in September. Unlike Kroger and Safeway, it has been unable to revive sales growth in the face of discount competition in grocery.

Source: CIES - The Food Business Forum.

# Marks & Spencer Wins EU Tax Case

The European Court of Justice (ECJ) last month ruled in favour of Marks & Spencer in its claim for tax relief against the UK government. The retailer had challenged the UK's refusal to allow tax relief for companies incurring losses in other EU countries. The ECJ agreed that the UK tax regime infringed upon freedom of establishment within the EU, but ruled that companies could only claim tax relief in their home country if none was available in the country where a loss was incurred. In effect, this limits claims to companies like Marks & Spencer which have closed foreign units. The retailer is now expected to claim a tax rebate of around 30 million pounds (US\$53 million) from the UK government in relation to its loss-making European operations, which it closed in 2001.

Source: CIES - The Food Business Forum.



The IEC would like to thank the following for their support:

























The IEC Support Group provides a unique opportunity to promote your company through IEC publications, the IEC website and through our annual conferences.

If you are interested in joining the IEC Support Group, please contact Julian Madeley: E-mail: <a href="mailto:julian@internationalegg.com">julian@internationalegg.com</a>