



## Attachment A: Work Request Form

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Release Date: 1/3/2019

Response Due: 2/1/2019

### PROJECT DETAILS

Maple Syrup: Assessment of Conditions, Trends, Opportunity & Constraints for Expanding Consumption

#### Agency/Department

Name: Vermont Agency of Agriculture, Food, and Markets

Contact: Lauren Masseria, Senior Market Development Specialist

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#### TIMELINE\*

Contract Start Date: 2/15/2019

Contract End Date: 6/30/2019

First Due Date for Materials: 4/24/2019

*\*To be finalized after proposals are received and negotiated*

#### BUDGET

Maximum budget for project: **\$20,000**

#### OTHER BUDGET COMMENTS / RESTRICTIONS / INCENTIVES

- Collection of data, analysis, and recommendation of next steps are the outlined priorities for project; additional budget will be available for communication of findings.
- Bidding firms are encouraged to provide matching funds up to \$7,500. Matching funds can include staff time, the cost of research subscriptions, or others.



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### PROJECT BACKGROUND

New technology and industry advances have enabled U.S. maple syrup producers to expand production by approximately 165% in the past decade. Over that same period, the bulk prices paid to producers have decreased by 27% and, according to the National Agricultural Statistics Service (NASS), it is critical to ensure consumer demand to help mitigate this impact. Meanwhile, official trade statistics show that maple syrup exports by Vermont declined by 58% in terms of value from 2016 to 2017, versus an overall U.S. export decline of 15% and a decline of 20% for the Northeast region for the same period. This corresponded to export declines for Vermont maple syrup by approximately \$3.5 million for the period, while the U.S. as a whole saw maple syrup export declines of just over \$4.3 million (including Vermont). Further, while 47% of the total U.S. value of maple syrup exports went to Canada in 2017, more than 86% of Vermont's maple syrup exports in 2017 went to Canada.

Essentially, Vermont's maple syrup exports are highly concentrated on Canada, considered a mature market for maple syrup consumption. Moreover, the province of Quebec is the world's leading region for the production of maple syrup, producing nearly 70% of the world's supply. The Federation of Quebec Maple Syrup Producers has assessed the production capacity of the region, and projects that output will double, thus increasing pressure on Vermont producers and maple syrup prices.

Growth in maple syrup production, and a less diversified portfolio of country trade partners (compared to other U.S. States who produce maple), places Vermont at greater risk for adverse impacts from production increases. Additionally, the state's dependence on the mature Canadian market for supporting Vermont exports of maple syrup further restricts its expansion opportunities, as the Canadian market has local production that competes with Vermont exports. As such, conducting research that provides a consolidated overview of evolving market conditions, trends and innovations/usage cases, and potential opportunities combined with industry education regarding those opportunities needed to help Vermont and its industry further improve its approach to domestic and international market development. This includes a thoughtful examination and review of its portfolio of trade partners, highlighting effective strategies to improve exports, as well as tactics to further expand domestic market consumption.

According to a 2015 analysis from the Center for Rural Studies at the University of Vermont, maple syrup production contributed more than 4,000 jobs to the state in 2013. The maple sector has seen consistent growth and innovation, and many of these jobs are in rural and under-developed areas where relatively few other opportunities exist. Further highlighting the importance of this industry, figures from NASS show the total value of agricultural products sold by Vermont in 2016 was just over \$776 million. Of that, approximately 7.7% was directly attributable to maple syrup sales with an economic impact of \$59.7 million. In 2017, NASS reports that Vermont produced nearly two-million gallons of maple syrup – very near record levels. This represented more than 46% of total U.S. maple syrup production volume. Meanwhile, there is tremendous opportunity for further expansion within the industry – Vermont taps slightly less than 3% of its maple trees. As such, finding and driving further demand and opportunities for Vermont maple syrup will significantly improve job growth and fiscal security as well as enhance overall agricultural and economic development.



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The Vermont Agency of Agriculture, Food and Markets is seeking a contractor to conduct research to assess consumption, innovations, trends, trade, markets for maple syrup and related product sectors where maple syrup is being utilized. In addition, Canada is planning to double their maple syrup production and has put significant time and resources into export trade strategies. Understanding that we do not have the same resources as Canada for this research, we would like the contractor look at their trade strategies to inform and prioritize opportunities to develop and expand domestic and international sales of Vermont maple syrup.

This report and associated results will be disseminated to the Vermont maple syrup industry through print materials, online articles, and industry trade presentations to support industry education and improve domestic and international sales.

### STATEMENT OF WORK

The Agency of Agriculture seeks a consultant to research and finalize a report assessing and analyzing the global potential for Vermont maple syrup. Research will assess market demand for maple syrup, both domestic and international, and include assessment of shifts in consumer demand; competitive trade flows; areas of unmet and/or emerging need; innovations that may offer new opportunities for maple syrup uptake; key opportunities, including key and emerging markets for development; and the business case for addressing opportunities.

The report should include the following elements:

1. Executive Summary (*approximately 5% of the report*)
  - a. Objectives and methodology overview
  - b. A summary of the global market for maple syrup, key constraints, and opportunities for business expansion
2. Market Conditions and Context (*approximately 45% of the report*)
  - a. A global review of maple syrup
    - i. Review of global market conditions, notable trends in usage, innovative applications, opportunities, and constraints
    - ii. Production
    - iii. Consumption – key markets and 5-year growth rates
  - b. Trade overview
    - i. Trade flows (imports/exports globally); global maple syrup import growth markets
    - ii. U.S. and Vermont share of trade globally and by top 20 markets; key U.S. growth markets; key Vermont growth markets;
    - iii. Competitive trade landscape assessment – top suppliers and trade share, 5-year growth rates, and notable markets targeted for trade expansion; review of key global development strategies of Canada, including production targets and target markets and implications for Vermont



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- iv. Trade and service gap analysis for maple syrup; assessment of key potential growth markets for Vermont – what markets are others targeting that Vermont is not?
    - c. Global SWOT analysis
    - d. A review of alternative/innovative uses and applications; implications for industry and industry growth spanning:
      - i. Food (processed products, including bakery, confectionery, cereals, and others)
      - ii. Beverages, including alcoholic drinks
      - iii. Health and wellness
3. Examination of domestic/U.S. marketplace and key trends and developments, including (but not limited to) (*approximately 15% of the report*):
  - a. Adoption/use of technology
  - b. Case studies in innovation and new product applications
  - c. U.S. producer strategies to expand sales; commentary on strategies deployed by producers outside of the U.S.
4. Key issues/constraints facing the industry; notable strategies in use or proposed to address such issues (*approximately 15% of the report*)
5. Key opportunities and areas for further development/focus to expand maple syrup uptake (*approximately 15% of the report*)
  - a. a review of top three export opportunity markets
  - b. business case supporting export expansion/growth, and
  - c. notable trends/product uses/etc. supporting greater maple syrup uptake in those markets
  - d. key focus areas in exports versus domestic market development
6. Recommendations and next steps to address opportunities and constraints (*approximately 5% of the report*)

In summary, the report should meet the following objectives:

**Objective 1:** Review secondary data and insights from multiple sources, including both public and proprietary data systems, to collate and analyze maple syrup production, consumer demand/consumption, trade and competitive trade landscape, trends and innovations/usage cases, and potential domestic and international opportunities to educate the Vermont maple industry on global trade flows and better inform export decision making.

**Objective 2:** Collect data on Canadian trade strategies for maple syrup and compare to current strategies in Vermont.

**Objective 3:** Using the collected data, create an initial prioritization of trade opportunities based on the ability to support increased Vermont maple syrup sales.

**Objective 4:** Arm Vermont producers with the findings, opportunities, and innovative strategies captured in the data collection for marketing their syrup internationally.



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### TARGET AUDIENCE

The report and analysis will be provided to the Vermont maple syrup industry and partners. We plan to disseminate the report online and conduct one industry trade presentation. The report will be available online for direct download and the trade presentation will occur in partnership with Food Export Northeast, with a goal of strengthening industry engagement, improving strategic planning, and supporting business development and export success.

### PERFORMANCE MEASURES & DELIVERABLES

- The Contractor will conduct a planning meeting with Agency Staff by **March 1, 2019**.
- The Contractor will draft a report and incorporate two rounds of edits and feedback from the Agency of Agriculture.
- The Contractor will incorporate edits and provide a finalized report suitable for public dissemination.
- The Contractor will draft a webinar deck and incorporate two rounds of edits and feedback from the Agency of Agriculture.
- The Contractor will incorporate edits and provide a finalized webinar deck summarizing report findings, recommendations, and next steps.
- The Contractor will create a survey to gauge impacts and usefulness of report.
- Final package of creative materials is **due by June 15, 2019**

### SUBMISSION REQUIREMENTS

Please submit the following with your response to this bid:

1. **Project approach, background, and experience:** Please provide a history of your firm and a list of current and/or notable past clients (optional). In addition, please provide a description of your firm's experience with research, analysis, and what makes your firm the right fit for writing this project.
2. **Proposed work plan including timeline**
3. **List project team leader and members and include resumes.**
4. **Project budget including matching funds:** Please submit a budget, not to exceed \$20,000, that is both realistic and reasonable to complete the scope of services. Budget must tie specific activities to deliverables, with clear cost associated with each component of the proposal. Proposal shall include an hourly rate for services and any related expenses to be billed. Proposals should include all relevant costs to complete the work as detailed in PERFORMANCE & DELIVERABLES, should note any travel requirements, and all proposals should include necessary costs to meet requirements of Attachment C.
5. **2 samples of similar research projects (links to download are appropriate)**
6. **Any other useful information**