

## Practical market insights into your product

# Dried Mushrooms in Germany

The global trade in dried mushrooms has increased strongly since 2009, with China dominating the export trade. Germany is the world's second largest exporter of dried mushrooms, but is also an important importer. Approximately 40% of the German dried mushroom trade consists of cultivated *Agaricus* mushrooms, which fetch a lower price on average compared to other (non-cultivated) wild mushroom varieties. Imports are sourced from a wide range of countries and exporters from developing countries can find opportunities in Germany, particularly if supply from China is low.

### CHANTERELLE PRIOR TO PICKING



### DRIED CHANTERELLE



### PORCINI PRIOR TO PICKING



### DRIED SLICED PORCINI



## PRODUCT DEFINITION

The product definitions outlined here refer to just three of the many varieties of wild dried mushrooms that can be found on the German market.

1. *Cantharellus cibarius* (chanterelle in English, Pfifferling in German)
  - Dried chanterelle mushrooms are highly prized by connoisseurs for their excellent flavour. These mushrooms have a taste that can be described as fruity and nutty with hints of pepper. Chanterelles are small, yellow to golden, have a pleasant aroma, and a flavour that is highly sought after, especially in Europe.
  - They are a suitable complement to meat, shellfish, and as an ingredient in omelettes. Chanterelles can also be used in a wide variety of ways including in soups, cream sauces, and pastas. They are best cooked with limited seasonings so that the flavour can be fully enjoyed.
2. *Boletus edulis* (cep or porcini in English, Steinpilz in German)
  - Porcini mushrooms have a chewy texture and a strong nutty taste. These gourmet sliced mushrooms are a rich brown colour with hints of yellow. They are often difficult to find and are usually more expensive than other varieties. Porcini mushroom flavours are enhanced when the mushrooms are dried in much the same way as the flavours of sun-dried tomatoes.
  - Porcinis like most wild mushrooms can be substituted into any recipe. The authentic flavour of these mushrooms is especially popular in Italian cooking where porcini are added to risotto, pasta, sauces, soups, casseroles, and stuffing. Most are exported frozen or dried. Only 10% are exported fresh. Drying enables storage for extended periods. In some parts of Europe they are dried on strings and stored for winter use.

## MOREL PRIOR TO PICKING



## DRIED MOREL



### 3. Morchela conica (morel in English, Spitzmorchel in German)

- The Morel mushroom is one of the most well-known of the wild mushrooms and is certainly one of the most sought after by gourmets. Its delicate balance of earthy, nutty, and smoky flavours combined with a meaty texture makes it a delicacy especially appreciated in French cuisine. These elegant mushrooms also bring a wonderful aroma to sauces, gravies, soups and anything else they are added to.
- When these expensive delicacies are reconstituted they will grow to approximately six times their original weight, making them much more affordable and no less delicious. Germany, Switzerland and France are the main importers of dried morels. Their short life makes them difficult to export fresh.

The statistics used in this document are based on Combined Nomenclature (CN) codes. The CN classification uses Harmonised System (HS) codes to classify products.

Combined Nomenclature (CN8) dried mushrooms are included in:

- 07123100: Dried mushrooms of the genus "Agaricus", whole, cut, sliced, broken or in powder, but not further prepared
- 07123900: Dried mushrooms and truffles, whole, cut, sliced, broken or in powder, but not further prepared (excl. mushrooms of the genus Agaricus, wood ears and jelly fungi)

PRC Code(Prodcom)

- 15331350: Dried mushrooms & truffles, whole, cut, sliced, broken or in powder but not further prepared

## PRODUCT SPECIFICATIONS

### QUALITY

Product quality is an issue as some wild dried mushrooms have been found to be misrepresented as other more expensive varieties, creating a climate of mistrust in parts of the market. This, combined with the traditional nature of the trade where buyers often are reluctant to change suppliers, means that new supplying countries face a challenge to enter the market. Global climatic conditions mean that traders need often to look for new suppliers when there is a shortage.

CODEX (Codex Alimentarius) and UNECE (United Nations Economic Commission for Europe) are internationally recognized standards. They are not legally binding, but German buyers would expect suppliers to conform to them if they wanted to access the market. There is a [UNECE Standard FFV-54](#) for fresh ceps, which provides a useful reference. However, the main product standard for dried mushroom is based on the CODEX standard for dried edible fungi (CODEX STAN 39-1981 CXS\_039) that applies to whole or sliced products of all edible species, after preparation and packaging. See the details of this standard at the [Codex Alimentarius website](#).

- For whole dried fungi, the stalks may be shortened, caps without stems can be sold, and if the product is cut and sliced, the thickness of individual slices should be between 1-4mm.
- Other styles of presentation are also allowed provided they meet all requirements including those relating to limitations on defects and drained weight, and that they are adequately described on the label to avoid confusing or misleading the consumer.
- The end product should be healthy, i.e. not spoiled; of a colour, flavour and taste appropriate for the species; clean, i.e. free of organic and mineral impurities; free, as far as possible, from maggot damage and damage caused by insects; and undamaged.
- Dried Edible Fungi shall be properly dried and conform with the following:

Product	Maximum water content
Freeze-dried fungi	6% m/m
Dried (other than freeze-dried) fungi	12% m/m

- In terms of defects, a maximum of 25% m/m of fungi not satisfying the end-product requirements specified is allowed.

- Product should be prepared and handled in accordance with the appropriate sections of the Recommended International Code of Practice – General Principles of Food Hygiene (CAC/RCP 1-1969), and other Codes of Practice recommended by the Codex Alimentarius Commission which are relevant to this product.
- One other issue that has arisen is that dried wild mushrooms (mainly *Boletus edulis* but also truffles and chanterelles) may contain levels of nicotine higher than 0.01 mg/kg<sup>1</sup> (default level as set by Article 18.1.b to Regulation (EC) No 396/2005). According to the information received, almost all wild mushrooms are affected, irrespective of their origin, although most of them originate from China. See the following link from the European Food Safety Authority [nicotine in mushrooms](#).
- There may be a requirement to meet the Directive 95/2/EC on food additives other than colours and sweeteners ([directive 95/2/EC](#)). The one reference in this piece of legislation relating to dried mushrooms concerns sulphite levels. The maximum level (mg/kg or mg/l as appropriate) expressed as SO<sub>2</sub> is 100 for dried mushrooms.

### LABELLING OF PORCINI AND CHANTERELLE DRIED MUSHROOM PACKS



### LABELLING

Labelling of consumer packs must be in accordance with the rules and regulations applying in the EU market, including Germany. Labels cannot contain any toxic ink or glue. See [EU Directive 2000/13/EC](#), which lays down the general rules on labelling of pre-packaged food sold on the EU market. This directive will be replaced by Regulation ([EC](#)) [1169/2011](#) on the provision of food information to consumers, as from 13 December 2014. This is particularly important as there are no special rules for mushrooms. The key requirements are:

- Name of the product
- List of ingredients
- Quantity of an ingredient or category of ingredients
- Net quantity (the amount of food in the container or package):
- Date of minimum durability
- Special storage instructions
- Name and address of the manufacturer or packager or EU buyer/retailer
- Place of origin or provenance of the product
- Batch number
- Instructions for use
- Certifier control number for organic products

In addition, any certification logo (if applicable) and/or retailer logo (in the case of private label products) should be on the label. Bar codes are used on all pre-packed products.

[Regulation \(EC\) 1924/2006](#) covers the use of nutrition and health claims that can be made on labels.

More specific product information for dried mushrooms is required in addition to the requirements of the Codex Alimentarius General Standard for the Labelling of Pre-packaged Foods (CXS\_001e). The name of the product should be clearly marked as follows:

- the common and scientific name of the species of fungus used, but the terms “fungus” and “fungi” may be replaced by terms which have customarily been used to describe the genus or species concerned in the country in which the product is intended to be sold, e.g. “mushroom” or “mushrooms”
- the type of product i.e. dried mushroom or freeze-dried mushroom
- the style of product i.e. whole, caps or sliced

## EXAMPLE OF BULK PACKAGING FOR DRIED MUSHROOM



### PACKAGING

Packages (cartons, polyethylene bags, boxes) in a lot each need to contain fungi of the same commercial type, and shall have a uniform net weight. In practice, this is usually carton boxes (often 62x38x38cm) with polythene inserts, weighing either 3kg or 5kg, or polythene bags ranging in weight from 300g up to 2.5kg.

- Cartons, bags and boxes should ensure adequate protection against humidity during storage and transport of the product.
- Any paper or other material used inside the package shall be new, waterproof and harmless to human health.
- Product should not come into contact with printed inscriptions on the package and should be loosely packed in the packing units.

## LEGISLATIVE REQUIREMENTS

### GENERAL FOOD LAW AND FOOD SAFETY REGULATION

Regulation [\(EC\) No 178/2002](#) introduces general definitions, principles, obligations, and requirements that apply to all food brought on the EU market, including Germany, in respect of food safety. They are supplemented by "horizontal" legislation focussing on a specific type of consumer protection or "vertical" legislation covering a specific product group.

### FOOD HYGIENE

Regulation [\(EC\) 852/2004](#) covers all aspects of the food supply chain from a hygiene perspective. Food chain actors should comply with the general hygiene requirements and requirements regarding microbiological criteria; procedures; temperature control; maintenance of the cold chain; and sampling and analysis. For actors in the food supply chain (e.g. processors, packers, distributors), the EU, including Germany, requires the application of certain rules, which are based on the HACCP (Hazard Analysis & Critical Control Points) principles regarding food hygiene.

### FOOD CONTACT MATERIALS

General requirements for all food contact materials are laid down in [Framework Regulation 1935/2004](#). Food contact materials, usually from packaging, must be manufactured in such a way that they cannot be a danger to human health.

### CONSIDERATIONS FOR ACTION

- Food safety is fundamentally important, and as an exporter you can gain advantage by demonstrating your appreciation of this. See the website responsible for [Food Safety in Germany](#).
- Check the CBI [EU buyer requirements for processed fruit, vegetables and edible nuts](#) which cover legal requirements in relation to food safety, food contact materials, contaminants and labelling.
- Check the EU food safety regulation on procedures in matters of food safety and food hygiene via the link opposite.
- Check the [guidance document](#) on control of foods imported into the EU.

### CONTAMINANTS/TRACES

The EU has set threshold limits for certain substances that could be present in food products, such as microbiological contamination, contaminants and residues of pesticides. As well as pesticides, the issue of heavy metal, as well as purity of variety are important questions for the trade. The basic principles of EU legislation on contaminants can be found in [Regulation 315/93/EEC](#). Maximum levels for selected contaminants in food can be found in [\(EC\) 1881/2006](#). Note arsenic, mercury and salmonella found in imported mushrooms have caused them to be rejected at the EU border.

### ORGANIC LEGISLATION

[Regulation \(EC\) 834/2007](#) for Organic Food and Farming has information on organic legislative requirements.

### TRACEABILITY

Under EU law, including Germany, this refers to the ability to track any food or related substance used for consumption through all stages of production, processing and distribution.

### IMPORT CONTROLS

Once cleared by customs, product can circulate freely within the EU. Imports of dried mushrooms from developing countries must come through designated Border Inspection Posts and are subject to a series of checks before being allowed to enter. The Most Favoured Nation (MFN) applied tariff for dried mushrooms is 12.8%.

## NON-LEGISLATIVE REQUIREMENTS

### OTHER FOOD SAFETY SCHEMES

The HACCP (Hazard Analysis & Critical Control Points) principles regarding food hygiene are a legal requirement (see above) but in practice many buyers insist on higher standards (the International Food Standard is referred to frequently in Germany). The Global Food Safety Initiative (GFSI) contains a benchmark of relevant standards.

### BUSINESS SCHOOL COMPLIANCE INITIATIVE (BSCI)

This is a leading business initiative for companies committed to improving working conditions in the global supply chain. It is used by leading retailers but is by invitation only.



- Check the [Fact Sheet on Food Contaminants](#) by the Directorate General for Health and Consumer Protection.

- [More information on this subject](#) can be found on the official EU website.

- See link to [RASFF safety alerts](#).

- Check these requirements.

- See the general principles and requirements of Food Law in Regulation [\(EC\) 178/2002](#) on traceability.

- Check the websites of [Codex Alimentarius](#) and [UNECE](#) to find any relevant information on dried mushrooms.

- Check the [EU Export Helpdesk](#) for more information on import tariffs and import regulations.

- More specific information on importing to Germany can be found at the [German Trade and Invest](#) portal.

- Check the website of [German customs](#).

### CONSIDERATIONS FOR ACTION

- The International Trade Center (ITC) provides [information](#) on voluntary standards and codes of conduct, which you can search and identify those which are most suitable for your product.

- Check details of leading food safety schemes such as the [British Retail Consortium Global Standards](#), the [Food Safety Certification System 22000](#), the [International Food Standard \(IFS\)](#) and the [Safe Quality Food Programme \(SQF\)](#).

- Check the GFSI website for [benchmarking information](#) of relevant standards

- Check the [BSCI](#) website for more information.



### ORGANIC STANDARDS

Organic sales represent a small proportion of the dried mushroom market, but this is an important niche. To the left you can see the EU organic logo, but Germany also has a number of its own organic standards including Demeter, Bioland and Naturland, each with their own logo. Bio-Siegel (also left) is an organic standard seen on some dried mushrooms in Germany. AbCert is an organic certification system also used on some dried mushroom products.

### FAIR TRADE

Fair trade is also a small but important niche segment in Germany, primarily found on agricultural products. It focuses on fair labour standards and fair prices for small developing country producers. The use of the fairtrade logo is highly controlled to ensure that only companies that adhere to genuine fair trade principles can use it. The FairWild standard is the only fair trade standard covering sourcing from wild collection. The "Fair for Life" standard is exclusively for cultivation.

### OTHER SOCIAL AND ENVIRONMENTAL STANDARDS

There are many international schemes and it is a question of determining what is most suitable for your product and market, but other important initiatives regarding sustainability include ISO14001 for environmental management, ISO 31000 for risk management, ISO 26000 for social responsibility and SA8000 for social accountability.

- Check the [German organic trade association](#) for more information on the various organic labels in Germany.
- Look on the [Bio Siegel](#) website for more information.
- Look on the website of [abCert](#) for more information.

- Check the [German fair trade](#) website.

- Check the [FairWild](#) website.

- Check the [fair for life](#) website.

- Look for more information on [ISO 14001](#), [ISO 31000](#) and [ISO 26000](#).

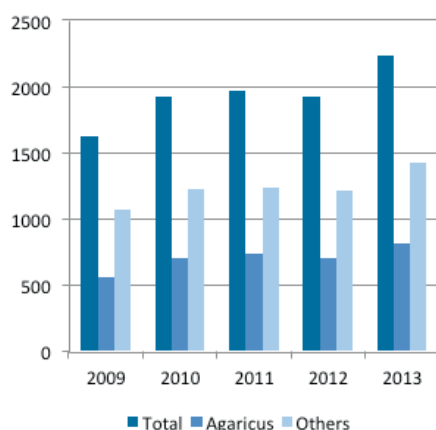
- Look for more information on [SA 8000](#).

## TRADE AND MACRO-ECONOMIC STATISTICS

This section provides more detailed statistics of Dried Mushrooms in Germany.

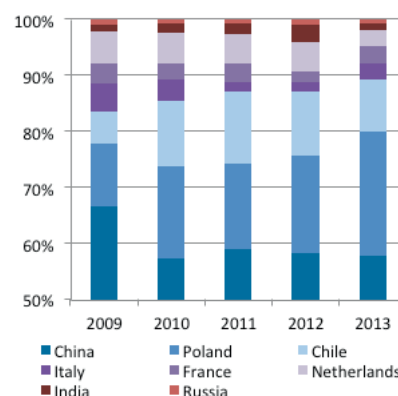
### TRADE: IMPORTS AND EXPORTS

**FIGURE 1: IMPORTS OF DRIED MUSHROOMS TO GERMANY, 2009-2013, TONNES**



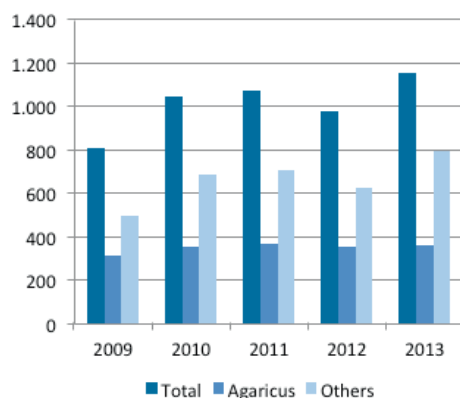
Source: Eurostat

**FIGURE 2: LEADING 8 SUPPLIERS OF DRIED MUSHROOMS TO GERMANY, 2009-2013, % BASED ON TONNES**



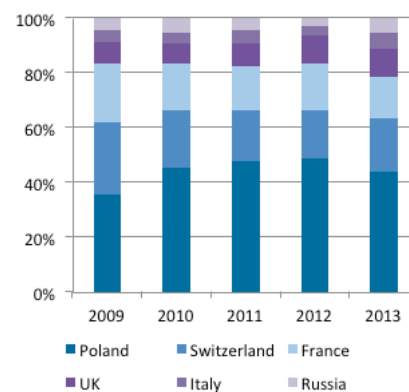
Source: Eurostat

**FIGURE 3: EXPORTS OF DRIED MUSHROOMS FROM GERMANY, 2009-2013, TONNES**



Source: Eurostat

**FIGURE 4: LEADING 6 EXPORT DESTINATIONS OF DRIED MUSHROOMS FROM GERMANY, 2009-2013, % BASED ON TONNES**



Source: Eurostat

### ANALYSIS AND INTERPRETATION

- Germany accounts for 20% of dried mushroom volume imports into the EU, and is the leading importer.
- Total imports of dried mushrooms into Germany have been relatively stable since 2010, increasing to 2,200 tonnes per annum in 2013, although in value terms they increased from € 23.7 million to € 33.3 million since 2010, indicating increasing import prices.

### CONSIDERATIONS FOR ACTION

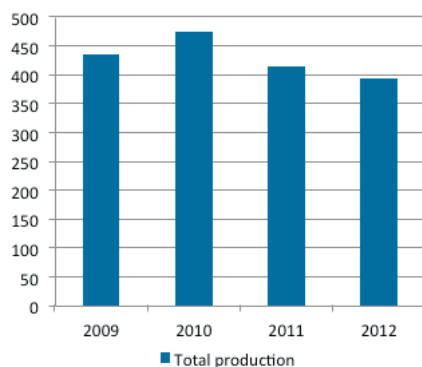
- Consider exporting to Germany if you are looking at the EU market for dried mushrooms. As both a leading importer and exporter, Germany represents an important centre of the dried mushroom trade, both in the EU and globally.

- Dried Agaricus mushroom imports represented 36.3% in volume terms but 31.2% in value terms indicating lower prices for Agaricus, compared with other mushroom varieties.
  - The leading 8 supplying countries shown in Figure 2 accounted for 89.5% of all dried mushroom imports in 2013.
  - China was the dominant supplier of dried mushrooms into Germany, accounting for 51.7% of all imports in volume. This was down from 63% in 2009, indicating a growing share of imports from other sources. As the Chinese are now using a lot of their crop now for domestic consumption, there is a much broader sourcing basis developing, particularly from Eastern Europe, the Balkans, Turkey, USA and South America.
  - Supplies from Poland and Chile registered strong growth, whereas supplies from the leading EU supplier Italy declined. In addition to the leading supplying countries, morels are also imported from the USA and Canada.
  - Imports from Chile were exclusively non-Agaricus varieties, but Poland was an important supplier of all varieties. Other important DC suppliers included Turkey, Pakistan, Vietnam, Ecuador, Kyrgyzstan, Ukraine, Bhutan and Korea.
  - Exports from Germany were valued at € 24.8 million in 2013, up from € 18.4 million in 2012. Values increased by a higher proportion than volumes, indicating rising prices for exports.
  - The destination of exports was also quite concentrated. The top 6 export destinations in Figure 4 accounted for 73% of all exports by volume. Poland was the predominant export destination, accounting for 32% of German dried mushroom exports.
  - The majority of exports went to European or near European destinations. The USA was also an important export destination.
- The level of imports via the Netherlands indicates it is a leading re-export centre but try to find direct routes into Germany.
  - The reduction in the share of Chinese imports is also a further sign of opportunities being available for new supplying countries. The figures highlight relative variability in supply levels, which could be an indication of varying crop levels due to seasonal factors. Hence reliability of supply is an important determinant of forging a strong trading relationship.
- Consider other markets close to Germany that have a good trade. For example, Poland and the Russian Federation may also offer good export opportunities for DC suppliers.



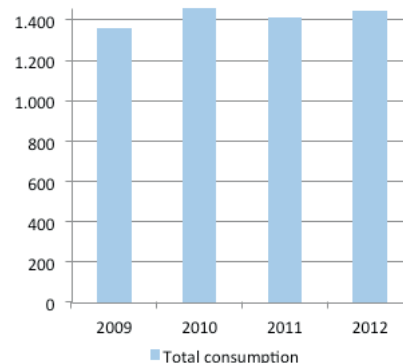
## PRODUCTION AND CONSUMPTION

**FIGURE 5: PRODUCTION OF DRIED MUSHROOMS AND TRUFFLES IN GERMANY, 2009-2012, TONNES**



Source: Eurostat

**FIGURE 6: APPARENT CONSUMPTION OF DRIED MUSHROOMS AND TRUFFLES IN GERMANY, 2009-2012, TONNES**



Source: Seance estimates

### ANALYSIS AND INTERPRETATION

- Available figures indicate an annual production of around 400 tonnes of dried mushrooms in Germany, valued at € 7 million. Some of this relates to production of truffles, but this accounts for a relatively small proportion.
- France and Italy are the leading producers of dried mushrooms in the EU which has a total estimated production volume of 3,000 tonnes. Hence Germany represents approximately 10-15% of EU production. Most production takes place in the Lower Saxony part of the country, according to German National Statistics.
- Production levels are stable, whereas production levels in Italy and France fluctuate strongly.
- The figures do not provide clear details as to the type of mushrooms that are produced, but the most popular varieties in Germany are porcini and button mushrooms.
- Some of the leading producers of dried mushrooms are also importers, particularly when it is out of season. One producer imports dried porcini from South Africa in the off season. The morel season is March to June, porcini is June to October and chanterelle is July to November.
- The figures indicate that domestic production broadly supplies between one quarter and 30% of the domestic demand, with the remainder being supplied by imports.

### CONSIDERATIONS FOR ACTION

- Declining production can indicate additional opportunities for DC exporters, although the figures are not clear cut due to the level of re-exports.
- Consider the possibility of partnering with German mushroom producers.
- Check the website of the [European Mushroom Producers Board](#) for more information. More detail on German producers can be found at the national mushroom trade association [website](#).
- Fluctuating production levels in other leading producer markets may indicate opportunities in nearby countries. Consider closely such opportunities.

- The value of the consumer market for dried mushrooms on the basis of these volume estimates could be worth over € 35 million in retail values. This also equates to a per capita consumption of 18g per annum. Germany is a relatively small buyer of morels due to their higher price and cooking tradition which favours other mushroom varieties.
  - Dried mushrooms increase in volume by 3-4 times when re-hydrated. It is estimated that most dried mushrooms are purchased for use in recipes and the market for new varieties is driven by growing consumer demand for more interesting dishes and trying new flavours. This is further encouraged by the trend to more in-home entertaining and dining
- Ask yourself where most of these sales are taking place. Are they online, are they in supermarkets? How much of this volume goes to the food industry for use as ingredients in prepared food dishes? What is the most popular packaging size and format – sliced, granules, powder?
  - Ask yourself what types of consumer are more likely to buy dried mushrooms. Are they young or old, affluent or value-driven, from one of the many ethnic groups in Germany?
  - Carry out further research to establish which mushroom varieties are most popular with which recipes.

## MARKET TRENDS

This section provides more detail about specific trends in the markets for dried mushrooms in Germany.

### ANALYSIS AND INTERPRETATION:

#### SOCIAL FACTORS

- Healthy eating: dried mushrooms are perceived to be healthy. Amongst others, they are said to be high in vitamin D.
- Germany is the largest organic market in the EU. According to the latest kobarometer, 22% of the German population buy organic products often or frequently, but the greatest increase is amongst under 30 year olds. There was a decrease in purchasing by the over 55 age group, but they are still the largest group.
- Dried mushrooms benefit from the fact that they are a natural product. Despite the drying process, consumers like the fact that they do not have additives or preservatives. Demand for organic dried mushroom is relatively small compared to the market for other organic products.
- Sales are also stimulated by new products, such as mushroom spices and other applications as food supplements or natural cosmetics containing mushroom extracts.

### CONSIDERATIONS FOR ACTION

- Find out more about the health claims of mushrooms. Be sure to be clear about what can be said and be careful not to make any false claims. For more information on [nutrition and health claims](#) refer to the EU website.
- Consider whether the potential costs for organic certification justify the additional sales benefits that may ensue.
- Consider certification and labelling of your products as Organic. See the background, assessment, and interpretation document for (see link on page 6) Regulation (EC) No 834/2007 for Organic Food and Farming for more information about requirements. Check the International Trade Center [Standards Map](#) for a comparative analysis and review of voluntary standards.

### TECHNOLOGICAL FACTORS

- Online food shopping is continuing to grow, in conjunction with the importance of social media in communicating new products, ideas for recipes and flavour combinations. This has implications for speed of communication within the supply chain, as well as communication direct to consumers.
- Freeze-drying technology may provide competition to the traditional form of drying. This is more expensive but there are claims of a superior taste.

### ECONOMICS FACTORS

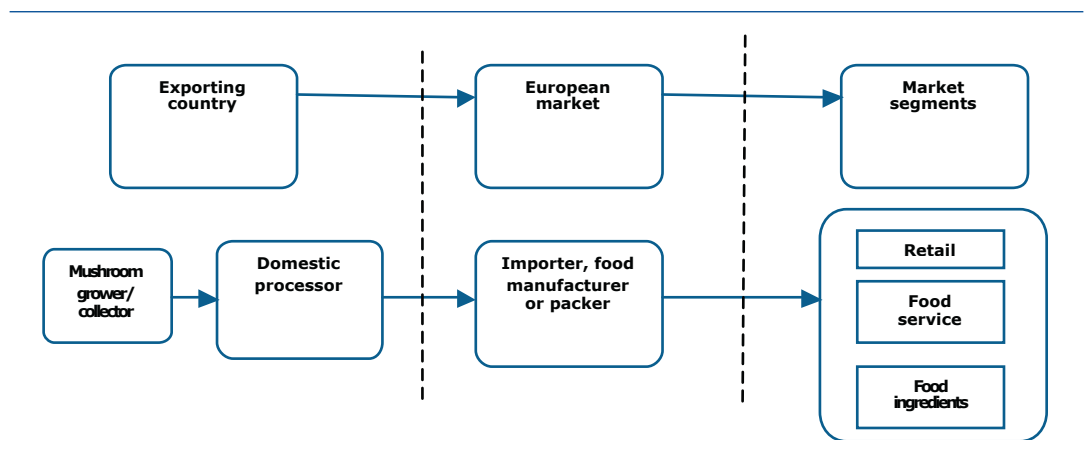
- The long period of stagnation or slow growth in Germany has impacted on how consumers buy food. Many are looking for the best discounts, some are choosing to buy in large pack sizes to obtain better value.
- Consumers tend to purchase dried mushrooms for their specific flavour and will not compromise on this aspect of the quality. However, there is always competition with flavours from other products such as herbs or spices and consumers will make substitute purchases if the price is not right.
- There remains a strong consumer segment that has not been affected by the economic downturn. These consumers continue to look for new innovations and product improvements.

- Make sure you have the technical facility to communicate with both trade customers and direct purchasers. Ensure that your procedures and processes for supplying product are efficient.
- Have you considered offering a range of differing pack sizes to cater for price conscious consumers who wish to buy in bulk?
- Have you considered putting recipe suggestions on your packaging to encourage greater use of your product?
- As well as the established niche opportunities for organic and fair trade variants, look for other emerging relevant trends, such as developments in the functional food sector.

## MARKET CHANNELS AND SEGMENTS

This section provides some information about the marketing channels through which dried mushrooms are marketed in the EU, including Germany. The top line highlights the supply structure overview, while the second horizontal line summarizes the key actors in the chain. All activity to the left of the first vertical dotted line refers to activities within the exporting country. All other activity occurs within the importing country.

FIGURE 7: MARKET CHANNELS FOR DRIED MUSHROOMS IN GERMANY



**ANALYSIS AND INTERPRETATION:****MIDDLEMAN OR NOT?**

- The choice here is usually dependent on the size of the exporter. Although some larger supermarkets choose to import directly from the producer, smaller dried mushroom exporters would usually use a traditional wholesaler or importer. Note that some German mushroom growers also act as importers.
- The other key issue would be the mushroom variety in question and the degree of specialisation or exclusivity of the product. The more specialised your product, the more specialised the distributor should be.

**WHICH SEGMENT?**

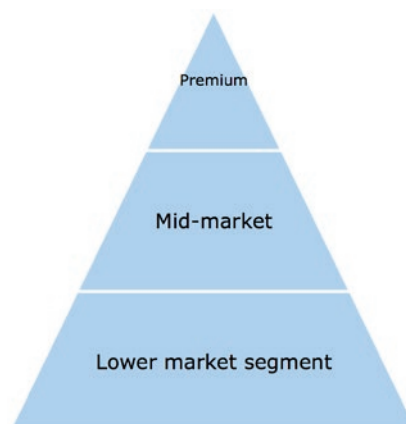
- Building a long-term close working relationship with your customers is essential, irrespective of which channel you select.
- Supplying the retail trade – supermarkets, health food shops and other specialist shops – will get your product in front of the end consumer but you will have to deal with the concentrated buying power of the leading chains and their requirements.
- Supplying the foodservice sector – restaurants, hotels etc is an interesting option, particularly if your product quality is acceptable to the higher end establishments.
- Many dried mushrooms are sold to the food industry as a food ingredient, e.g. in soups, sauces, mushroom pizza, mushroom risotto or ready meal, etc.

**CONSIDERATIONS FOR ACTION**

- Assess how well-equipped you are to supply large retailers. They can offer tempting opportunities in terms of volume but supplying them can present many challenges. Currently the share of dried mushrooms sold through this channel is lower than in more specialist outlets, or for comparable products.
- If you want to work with an importer, try to find out the extent of his contacts and whether you think that importer is best suited to reach the ultimate consumers you would like to find.
- Talk to as many experts in the trade that you can to fully appreciate the specific issues on the German market before making this important commitment.

**PRICES**

This section covers the important question of prices, costs and margins. It is useful to work backwards from retail prices, then to look at the different margins expected by the various actors in the supply chain in order to calculate your own ability to compete in this market. It is difficult to generalize as different varieties have different price points. Morels are more expensive than porcini, which in turn are more expensive than chanterelles. Here is an illustration of the different segments within the German retail trade for dried mushrooms.

**FIGURE 8: INDICATION OF PRICE RANGES AND MARKET SEGMENTS**

**Organic retail:** Premium quality and additional standards from processing to consumer packaging.  
Price range: wide ranging but typically € 8.00-15.00 per 100g.  
Main sales channel: Specialist retail

**Mainstream retail:** Good quality, standard retail requirements from the processing industry.  
Price range: € 5.00-10.00 per 100g  
Main sales channel: Supermarket

**Bulk product for the food industry:**  
Average to good quality for use as food ingredient. The food industry uses dried mushrooms in granule form in different cut sizes, and mushroom powder. Price range: quite a bit lower than above, subject to end use.

### ANALYSIS AND INTERPRETATION

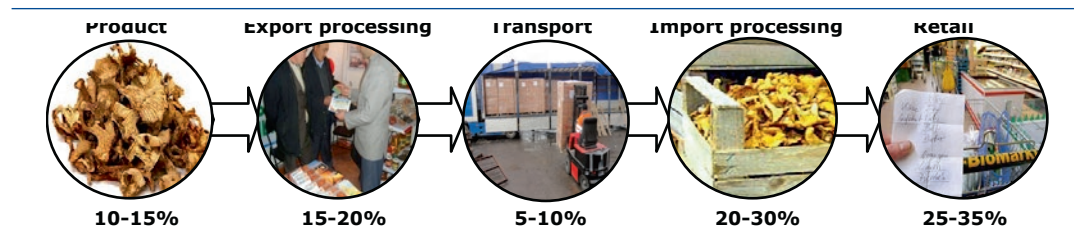
- Dried mushrooms in the lower segment are sold at high volumes and at relatively low margins. Quality aspects in terms of sorting, colour and flavour are somewhat less demanding, but standards are still high. This segment is more likely to be a channel for *Agaricus* mushrooms. In the food industry, 50% of usage is in soups, 30% in sauces and 20% in rice and pasta dishes.
- Mid-market dried mushrooms are of a higher class and standard. These products are commonly sold in the retail segment under manufacturers' brands or private labels. They have some added value characteristics, such as innovative packaging (e.g. printed cartons or plastic jars), making it possible to obtain relatively higher margins.
- The added value of different types of dried mushrooms can be enhanced to greatest effect in this segment. The premium part of the market requires the highest quality standards and you will need to demonstrate that you qualify to provide additional quality reassurance on the labelling, such as the name of an organic certifier or fair trade label.

### CONSIDERATIONS FOR ACTION

- Ensure that you appreciate the key differences between supplying the food service or food ingredient segment, compared with the retail market.
- If you wish to engage in this segment, consider that you have researched all the options that maximise the quality product and presentation possibilities, taking specific account of the differences between different mushroom varieties.

The following estimates can vary between different product types, formulations and sources of supply, and other considerations such as branding, packaging. For example, for fair trade and organic products, producers will achieve a higher proportion of the ultimate selling price. Despite the greater costs involved in certification, this can amount to between 30-50% more value addition than for conventional product. Retailer margins can also vary considerably, depending on the scarcity or demand of a particular product.

**FIGURE 9: BREAKDOWN OF HOW THE COST IS SHARED THROUGHOUT THE SUPPLY CHAIN**



Source: Searce estimates

This figure highlights the importance of value addition for DC exporters. Many traders think purely in terms of the retail selling price. There is considerable scope to add value to products, including dried mushrooms, in the production and export processing stages within the supply chain. Correct documentation can also provide added value at the "Product" stage. The wide variances in the contribution of each stage to the final selling price highlights the opportunities to add value.

## USEFUL SOURCES

Check the various links provided throughout this document, but here are some other useful references:

### EXPORT AND MARKET ENTRY SUPPORT

[www.cbi.eu/marketintel\\_platform/Processed-Fruit-and-Vegetables-and-Edible-Nuts/177430](http://www.cbi.eu/marketintel_platform/Processed-Fruit-and-Vegetables-and-Edible-Nuts/177430)

### SOME IMPORTERS AND WHOLESALERS

Pilze Wohlrab [www.wohrlab-pilze.de](http://www.wohrlab-pilze.de)

Uwe Buschhaus [www.speisepilze.eu/](http://www.speisepilze.eu/)

Danner Pilz Naturkost [www.danner-pilze.de/](http://www.danner-pilze.de/)

Uwe Niklas [www.pilze-niklas.de/](http://www.pilze-niklas.de/)

Kündig [www.kuendig.com/](http://www.kuendig.com/) for food ingredients

### TRADE PRESS

There is no specific trade press for dried mushrooms

Bio-market is the online portal for the organic trade [www.bio-markt.info/](http://www.bio-markt.info/)

Bio Press [www.biopress.de/](http://www.biopress.de/)

### MUSHROOMS

Mushroom trade association [www.der-champignon.de](http://www.der-champignon.de)

The German Mycological Society [www.dgfm-ev.de](http://www.dgfm-ev.de)

The Mushroom Council (US organisation good information on fresh mushrooms) [www.mushroomcouncil.org](http://www.mushroomcouncil.org)

Information on the EU Food Industry [http://ec.europa.eu/enterprise/sectors/food/index\\_en.htm](http://ec.europa.eu/enterprise/sectors/food/index_en.htm)

## MORE INFORMATION

EU Expanding Exports Helpdesk – <http://exporthelp.europa.eu> – go to ‘trade statistics’.

Eurostat – <http://epp.eurostat.ec.europa.eu/newxtweb> – statistical database of the EU. Several queries are possible. For trade, choose ‘EU27 Trade Since 1995 By CN8’. Use the guide ‘Understanding Eurostat: Quick guide to easy comext’ ([http://epp.eurostat.ec.europa.eu/newxtweb/assets/User\\_guide\\_Easy\\_Comext\\_20090513.pdf](http://epp.eurostat.ec.europa.eu/newxtweb/assets/User_guide_Easy_Comext_20090513.pdf)) for instructions.

International Trade Statistics – [www.trademap.org](http://www.trademap.org) – you have to register

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This survey was compiled for CBI by Searce in collaboration with Klaus Dürbeck  
Disclaimer CBI market information tools: [www.cbi.eu/disclaimer](http://www.cbi.eu/disclaimer)

## ANNEX

Here are a selection of dried mushroom retail packs that can currently be found on the German market. These products can be found on a number of websites, including Amazon. Prices were accurate as of May 2014 but will vary between retailers. The different types of packaging, pack sizes and variety demonstrate the both the wide choice on the market and the difficulty of comparing like with like:

**NIKLAS STEINPILZ GETROCKNET KLASSE 2,**  
100g € 9.59



**NIKLAS MU-ERR-PILZE GETROCKNET,**  
100g € 6.00



**NIKLAS GETROCKNETE CHAMPIGNONS**  
**MT STEINPILZ, 50g € 6.99**



**WAGNER GREEN FOREST PFIFFERLINGE**  
**GETROCKNET,**  
30g BEUTEL € 5.38



**EL PUENTE GETROCKNETE BUTTERPILZ**  
**GRUPO JUVENIL SALINAS BIO,**  
5 x 50g € 9.49



**DRIED MUSHROOMS IN TUBS FROM**  
**WALHALLA DELIKATESSEN MU-ERR,**  
150g € 10.99



**MORCHELN GETROCKNET,**  
20g € 12.99



**STEINPILZ PLANTIN GETROCKNET,**  
125g € 17.07



**SELECTION OF RANGE**  
**FROM PILZE WOHLRAB**



**FUCHS PFIFFERLINGE,**  
25g GLASS JAR € 4.89



**FRONT & BACK OF FUCHS STEINPILZE**  
**GETROCKNET, 4 x 3g PACKS € 10.32**



**FUCHS MORCHELN,**  
35g GLASS JAR € 28.18

