



USA RICE

Singapore Marketing Program Implementation

REQUEST FOR PROPOSAL

I. INTRODUCTION AND OVERVIEW

USA Rice

USA Rice is a nonprofit trade association representing all segments of the U.S. rice industry, including but is not limited to producers, millers, exporters, and merchants, as well as other entities involved in the production and marketing of U.S. rice. The organization was founded in 1994 by the leadership of the industry's three national associations: the Rice Millers Association, USA Rice Council and the USA Rice Farmers (formerly known as US Rice Producers Group).

USA Rice's grower representation includes approximately 90% of the U.S. rice crop. The organization also represents virtually all U.S. rice millers and processors, as well as the nation's major rice exporters, which account for nearly 100% of U.S. rice supplies and exports. Furthermore, associate members of the USA Rice cover almost the entire marketing and distribution channels for U.S. rice.

USA Rice operates a domestic promotion program as well as export promotion programs in more than 20 countries. Programs are funded by both USA Rice members and through various public programs for which USA Rice competes annually.

USA Rice is headquartered in Arlington, Virginia, and has subsidiary offices in Arkansas, Louisiana and Germany. Consultants and agencies are used as appropriate, for a wide variety of projects, including domestic and international promotion programs.

USA Rice is an equal opportunity employer and prohibits discrimination in all programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, or marital or familial status.

II. MARKET SITUATION IN SINGAPORE

Singapore, with a population of 5.5 million, is one of the most affluent countries in the world with a GDP per capita of US\$71,400. The middle- and upper-income classes account for more than 75% percent of the population, all of whom live in an urban environment. Singapore is a multiracial society with a large expatriate population numbering 1.5 million, which has resulted in a diversity of foods available in the country.



Since Singapore is not an agricultural producer, it is wholly dependent on rice imports even though in early 2022 it harvested the first batch of rice grown (for research) in its bid to improve food security. There are no barriers to rice trade compared to most Asian countries; however, Singapore's rice trade is controlled by a small number of large commodity importers that have large market shares. Singapore is predominantly a long grain consuming market, primarily sourcing it from Thailand, India, and Vietnam but there are all types and forms of rice available in the market. There is a trend towards the consumption of more medium grain-type rice, which is the type that the U.S. exports to Singapore, boosted by expatriate residents. Returning Singaporean students or professionals who lived in the United States, Australia and New Zealand have also increased the demand for Calrose rice. Another positive factor for U.S. rice is the growing number of Japanese and Korean restaurants that are being established in Singapore. U.S. medium and short grain rice is particularly suitable for sushi and other Japanese and Korean dishes.

Rice imports in the last three years have averaged 366,900 MT, but around 109,400 MT is re-exported, so the total size of the Singapore rice market is about 257,500 MT. There is aggressive competition from Japan, Australia, Vietnam, and Taiwan as alternative sources of short and medium grain rice. During the pandemic, one major importer began to bring in Taiwan origin rice, which further disrupted U.S. exports. The price point of the Vietnam and Taiwan short grain, locally milled Japanese short grain and the perceived quality of the Japanese rice intensify the competition and are challenges for U.S. rice.

COVID-19 has strongly affected Singapore's economic performance due to a reduction in trading activity, low levels of tourism, and business closures due to phased lockdowns. It has also changed consumption patterns and behavior, particularly for the foodservice industry, which included catering for Meetings, Incentives, Conventions and Exhibitions (MICE) and leisure events. Pre COVID-19, busy Singaporeans, who love to eat out and do so almost every day of the week, were well served by Singapore's robust and diverse restaurant and catering scene. Hence, the foodservice industry was the obvious compelling vehicle to reach consumers and increase the demand for U.S. rice.

COVID-19 changed the landscape of the foodservice industry. The Singapore government anticipates that it may take four to five years before the pandemic ends and the world can look to a "post-COVID normal". In June 2021, when Singapore reverted to tighter restrictions again, F&B sales dropped 11.3% month-on-month, of which online sales spiked up to 47.7%. The pandemic restrictions have changed the foodservice industry scenarios, at least for the next 6 to 18 months. Foodservice demand has been restructured away from dining rooms and many foodservice operators are forced to transform or reset their business models to include reliance on digitalization. The government also provided technical and financial support to the less digitally inclined on adapting to online platforms. For foodservice, the digitalization transformation includes ramping up food delivery apps, cloud kitchens, and heightened social media engagement. Towards the end of 2021, there were signs of recovery for the foodservice industry as vaccinated consumers are more confident in dining out, albeit still suffering from diner capacity limitations.



Based on rice consumer insights research done in 2021 by Clear Strategy Singapore, 72% of respondents cook more at home since the pandemic started. Consumers appreciate the versatility as well as the ease of using rice. The perception of U.S. rice has a good reputation albeit less known. This presents an opportunity to leverage and educate consumers on quality, safety, nutrition, and sustainability of U.S. rice. In the retail sector, many Singaporean consumers have shifted their purchasing behavior from offline to online shopping as a result of the pandemic. Industry watchers predict that this shift will be a long-lasting.

Another opportunity to continue for U.S. rice is via social media. Singapore users aged 16 to 64 spend, on average, seven hours twenty-nine minutes on the internet each day. Social media users numbered 5.3 million in 2022. WhatsApp, Facebook, Instagram, and Telegram were ranked as the top four most popular social media platforms.

Singaporean consumers are also increasingly more health conscious and are paying more attention to healthy eating. One in nine Singaporeans has diabetes, while three in ten over the age of 60 have diabetes. The demand for low Glycemic Index (GI) rice is growing steadily from the increasing number of diabetics in Singapore and also those who generally seek a healthier diet. Australia's low GI rice has a high profile in this niche market. There is a new market player Alchemy FoodTech that uses a powder blend to reduce the GI and increase fiber content. This trend has continued during the pandemic because it is a core part of the government's healthy eating policy and thus an opportunity for USA Rice to consider from the nutrition angle.

Market Access:

Since Singapore produces no rice in commercial quantities, it is dependent upon imports for supplies to foodservice and consumers. Singapore has no import restrictions or impediments to free trade in rice.

III. USA RICE FEDERATION OBJECTIVES IN SINGAPORE

USA Rice objectives in Singapore are as follows:

- Foster an understanding among rice importers of the value-added aspects of U.S. rice, such as safety, sustainability, environmental stewardship, consistency of quality and processing attributes, as well as the ease and reliability of U.S. sales transactions.
- Increase the number of importers of U.S. rice.
- Increase the volume of U.S. rice imports

IV. SCOPE OF WORK



Conduct intensive trade servicing with businesses operating in Singapore’s rice distribution channels, which should include key importers, wholesalers, local brand owners, packers, retailers (traditional and online delivery), foodservice operators, including chains and a sampling of relevant single site operators. These meetings/contacts will also generate feedback that will help to focus future promotions activities.

The firm or consultant shall successfully complete the above scope of work from January 2023 through December 31, 2023. The firm will work directly with the USA Rice Director of Asia Promotion Programs. The agency or individual selected to conduct activities will contract with the USA Rice and will be subject to the regulations applicable to the Foreign Market Development (FMD) Program as administered by the Foreign Agricultural Service of the United States Department of Agriculture.

V. PROPOSALS

USA Rice requests that you include the following components in discussing your capabilities:

- A. Describe how you/your agency will achieve the Objectives outlined in Section III and the Scope of Work outlined in Section IV.
- B. Explain why your qualifications and background make you the best individual/agency to represent the USA Rice in Singapore (please mention language proficiencies).
- C. Provide information regarding your past work, especially related to representing U.S. agricultural commodities in Singapore.
- D. Please detail which of your staff members will make-up the USA Rice team and explain their roles and experience.
- E. Include a monthly retainer of all costs necessary to complete this scope of work including staff fees, third party expenses, administrative overhead, travel, and other direct/indirect costs needed to support your program.
- F. Include any additional information that demonstrates the ability to perform the functions outlined in this Request for Proposal.

VI. CONFLICTS OF INTEREST

Potential conflicts of interest relative to this program are as follows: agency representation of another entity that is directly competitive to rice, e.g., pasta, tortillas, potatoes; or a firm of record for any U.S., or other rice company. Please disclose any conflicts of interest.



VII. SELECTION CRITERIA

USA Rice reserves the right to award the contract to the individual/agency with the best combination of attributes and ability to successfully serve as the organization's marketing representative in Singapore, not necessarily the lowest bid.

VIII. ADMINISTRATION

The individual or agency selected for the position will report directly to Jim Guinn, Director, Asia Promotion Programs, with further oversight by the Vice President, International.

IX. FINANCIAL

The total budget for all aspects of this scope of work, including all fees, overhead, third party expenses, travel and other expenses is approximately \$101,000. Submitted proposals should reflect this budget. Funds for this project come from the U.S. Department of Agriculture's Foreign Market Development Program (FMD) and is subject to the annual availability of funds in that program.

X. PROPOSAL DUE DATE / PROJECT TIMING

Proposals are due by close of business on November 30, 2022. For the individual or agency selected to complete this scope of work, the contract will run for one year commencing in January 2023 and ending on December 31, 2023. If mutually acceptable, the contract may be renewed at the end of the fiscal year at the option of the USA Rice.

XI. SUBMISSION OF PROPOSALS

Individuals / agencies are invited to submit proposals to USA Rice by close of business (5pm EST) November 30, 2022. Please direct your proposal to the following email address:
jguinn@usarice.com.