

UKRAINE: A STORY OF CHANGE



Adapting to Succeed in New Export Markets

Both new and experienced exporters must be willing to adapt in order to succeed in markets different from their own, as Ukrainian food producers have learned in their efforts to export to Canada.

In the 1990s, Alla Kovalenko, president of Kharkiv Biscuit Factory in Ukraine, decided to participate in an international trade show against the advice of many colleagues who said the company would not stand a chance in highly competitive global markets. But Alla was convinced that exporting was the pathway to future success.

When the CUTIS project connected with the Kharkiv Biscuit Factory, the company had years of hard work behind it and had succeeded in breaking into the Canadian market. Working with CUTIS product experts, the company developed a deeper understanding of Canadian consumer preferences, learned how to work more effectively with buyers, honed their pricing and product listings to attend major food shows, and developed new products that better serve the wider Canadian market. While it had sold to large Canadian chain Dollarama in the past, thanks to this targeted support the company has now expanded to sell new products to them.



Alla Kovalenko at the 2019 SIAL trade show in Toronto.

Almost all processed-food producers in Ukraine started with the idea of promoting their own brands. After all, their products were well-known in Russia and eastern Europe and among customers in the diaspora. It takes confidence to be open to opportunities presented by the North American market and courage to adapt one's products to that market. The CUTIS project helped Ukrainian producers gain that confidence and courage.

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“Ukrainian food items are increasingly becoming household brands in Canada. As importers and distributors of Ukrainian products, we are seeing a constant growth in demand for these items as both stores and consumers are realizing the Ukrainians’ excellent quality and competitive pricing.”

—Michael Prudkov, CRUSSIMPEX Inc.

In Lviv, Ruslana Rymarska heard about the CUTIS project and its mandate to help small businesses export to Canada. Curious, she travelled to Kyiv in October 2017 to take part in training offered by CUTIS on export opportunities for confectionery companies. As the owner of a small family bakery, Budmo Zdorovi, she realized after the training that her current products would not be competitive or desirable in the Canadian market. If she wanted to enter foreign markets, she needed to do her homework.

“Entering new markets requires adapting products to the needs of each of those particular markets. This is not cheap, especially for small businesses. After a series of trade missions, I realized that I needed to focus on one market. It was the exhibition in Canada that gave me such a chance.”

—Ruslana Rymarska, Budmo Zdorovi



Ruslana Rymarska at the 2019 SIAL trade show in Toronto.

Hearing about the demand for healthy food in Canada, Ruslana developed a new product: handmade gluten- and lactose-free cookies made without preservatives, sold under the Smakuli brand. She also improved her production process, developed attractive new packaging, and implemented a quality control system. All products are manufactured in compliance with ISO 22000 international food safety standards. She received CUTIS support to exhibit her new products at the 2019 SIAL food show in Toronto.

The show inspired the young entrepreneur because many buyers were interested in her trendy and innovative products. She is now negotiating with many of them. Ruslana’s message to colleagues in Ukraine is that even a tiny company can find a niche for its product if it is ready and willing to adapt.