

Food Industry

Among the major players in the global agribusiness, the State of São Paulo also stands out in the industry, trade and services in the food industry. Approximately 35.5% of the industrial production of food in Brazil is concentrated in the State of São Paulo, with special mention to the manufacture of sugar (58% of the total), canned fruit and vegetables (48%), dairy products (31%) and ground coffee (37%), according to a survey held in 2011 by the Brazilian Institute of Geography and Statistics (IBGE).

The food sector represents approximately 10% of the Gross Domestic Product (GDP) and the companies' revenues totaled US\$ 221.4 billion in Brazil in 2012, out of which R\$ 181.4 billion was in food and US\$ 40 billion in beverages, according to the Brazilian Association of Food Industries (Abia). The sector is the first largest in gross output value of the manufacturing industry.

Out of total sales, US\$ 43.4 billion was exported, equivalent to R\$ 84.8 billion, or 20% of total industry sales (Abia – 2012).

On the other hand, imports of food are much less significant and concentrated on wheat, totaling US\$ 5.6 billion. This makes the food sector one of the most relevant to the generation of trade surplus, reaching, in 2012, US\$ 37.8 billion, above the trade surplus of the Brazilian economy as a whole, which is US\$ 19.4 billion (Abia – 2012).

Despite the worsening of international crisis, investments in the sector totaled US\$ 11.1 billion. It is worth noting that sales and investment growth has remained constant, even in view of the economic downturn.

Actual industry sales, in 2012, increased by 4.6%. This growth is also reflected in the increase of jobs (Abia – 2012).

In 2012, the industry employed 1.63 million workers. Since 1992, the number of employees in the sector grew 91.8%. The annual growth rate was 3.3%, significantly above the average of the manufacturing industry, which is 2,6% per year (Abia – 2012).

Industrial output value of food in São Paulo (main products) – US\$ thousand

Segment	2007	2008	2009	2010	2011
Slaughtering and manufacture of meat products	29,092,693	38,376,829	34,252,321	44,513,292	57,489,374
Preservation of fish and manufacture	864,273	1,043,276	981,513	1,509,918	1,641,716
Manufacture of canned fruit, greens and vegetables	6,164,020	5,835,736	6,020,802	7,882,867	9,798,423
Production of oils and fats of plants and animals	19,301,662	25,716,698	22,673,353	26,527,379	29,249,132
Dairy products	13,065,151	15,748,740	16,326,064	21,170,077	23,803,647
Crushing, manufacture of starch products and animal feed	16,251,861	21,177,941	19,204,828	22,259,580	26,818,395
Manufacture and refining of sugar	9,613,831	10,765,469	16,505,864	25,414,042	31,622,038
Roasting and grinding coffee	3,235,098	3,540,071	2,619,070	3,114,716	4,146,580
Manufacture of other food products	14,042,451	17,478,310	17,823,962	23,912,902	28,974,265
Manufacture of beverages	17,387,047	19,745,686	20,671,199	27,594,966	31,732,743
Manufacture of alcoholic beverages	9,140,101	10,172,682	10,734,634	14,594,774	16,525,171
Manufacture of non-alcoholic beverages	8,246,947	9,573,004	9,936,566	13,000,191	15,207,572
Total	111,631,040	139,683,068	136,407,778	176,304,774	213,543,570

Source: IBGE – 2011

Franchises

The food industry is also a leader in the franchising market. The numbers of sales and growth of job creation in franchising in the countryside of São Paulo are also very impressive compared to the inland cities of other states: the total revenue of the sector in 2012 was US\$ 26 billion and the total number of jobs generated in 1 year had an increase of 5,66% – increasing from 222,449 in 2011 to 235,046 direct jobs in 2012, according to Rizzo Franchise.

Why invest in the Food Industry in São Paulo?

-  The State is a leader in the industrial production of food in the country.
-  It concentrates the largest final consumer market.
-  It has a great infrastructure network and distribution channels.
-  It has specialized labor at all stages of production.
-  Rich and diverse agriculture next to industrial production sites.

Contact us

We would like to invite you to learn more about the reasons that make the State of São Paulo the right choice for your business, Investe São Paulo is always ready to serve you promptly, efficiently and free of charge. Check out how this Investment Promotion Agency can assist your project by visiting our website www.investe.sp.gov.br or contact us by e-mail: investesp@investesp.org.br.

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