

ADVANCE CONTRACT AWARD NOTICE (ACAN):

AGRICULTURE AND AGRI-FOOD CANADA (AAFC) - REQUISITION #01B68-14-0281

The Department of Agriculture and Agri-food Canada (AAFC) has a requirement for a contract to obtain retail sales data. The information being obtained is point of sale data for 2013-2014 retail sales of fresh produce (selected fresh fruits and vegetables categories and segments). The purpose of this Advance Contract Award Notice (ACAN) is to signal the government's intention to award a contract for these services to the pre-selected supplier:

AC Nielsen Company of Canada Ltd
160 McNabb Street,
Markham, ON L3R 4B8

Dave Smart
Group Director
Tel: (905) 943-8470
Fax: (905) 475-8357
E-mail: david.smart@nielsen.com

Before awarding a contract, however, the government provides other suppliers with the opportunity to demonstrate that they are capable of satisfying the requirements set out in this Notice, by submitting a 'Statement of Capabilities' during the fifteen calendar day posting period.

If other potential suppliers submit Statements of Capabilities during the fifteen calendar day posting period that meet the requirements set out in the ACAN, the government will proceed to a full tendering process on either the government's electronic tendering service (Buyandsell.gc.ca) or through traditional means, in order to award the contract

If no other supplier submits on or before the closing date, a statement of capabilities meeting the requirements set out in the ACAN, a contract will be awarded to the pre-selected supplier, as referenced above.

PROJECT TITLE: Report on Retail Sales of Fresh Produce Categories and Segments for the Horticulture Division of AAFC

BACKGROUND:

The Horticulture and Cross Sectoral Division of Agriculture and Agri-Food Canada (AAFC) collects, analyses and disseminates market information related to horticulture commodities. However, AAFC does not collect retail market information. AC Nielsen is the only company collecting retail market information relevant to our needs. This information is needed to do a study of the value chain and examine the progression of prices along the chain. This is the second time that this report is being requested and since AC Nielsen only stores data for 2 years, we are purchasing a further 2 years' worth of data so that we can build a database which will enable us to do any trend analysis.

Information being requested from AC Nielsen is for the period ending December 2014. Our aim is to use this information in as timely a manner as possible. To be able to provide an analysis and for it to be useful to our stakeholders, it is very important to procure this service at the earliest possible time. Retail market information is a vital piece in the analysis of the price trends in the value chain from farm gate to consumers. This gives analysts as well as industry a good insight into the evolution of prices as they move along the value chain and helps in program development; helps support the value of producing certain high margin commodities versus conventional produce etc. This information will assist Canadian producers adapt to changes and influence next year's planting decisions. We are also requesting

additional data on organic commodities to be able to assess the value added of this line of business, the advantages and profitability (prices/margins) for producers thinking of moving over from conventional farming. Organic data gaps are significant and we hope to be able to add to our data holdings by purchasing this data.

From the business point of view, we will use this information to create our own database for future trend analysis and help industry look for sustainable and competitive ways of doing business. We would like to add to the information we are purchasing every couple of years.

The role of the Horticulture and Cross Sectoral Division of AAFC is to provide information, support and analyses to the members of the horticulture value chain so that they can make informed business decisions. With increased competitiveness, the changing global markets, regulatory and trade influences, it is increasingly important to analyze the industry through the farm to retail. It also helps with government policy, program and regulatory development. Without the retail market information, it is not possible to look at market demand, pricing, sales, etc. Producers are not able to adapt growing practices without timely information on what is in demand. This information will be very useful at looking at commodities being sold, their prices and volumes that move through the retail sector.

OBJECTIVES:

The expected results are to:

- Purchase the AC Nielsen Company's "Fresh Track sales estimates (2013 - 2014) from Grocery Banners and Mass Merchandisers" the most recent statistical data on retail sales of fresh produce categories sold through Canadian grocery and mass merchandiser stores.

SCOPE OF WORK:

AAFC will be requesting AC Nielsen to prepare a report in Excel format of specific retail sale information related to horticulture commodities (fruits and vegetables). They will be extracting this data from their database and providing the report. This report will be in English only.

AC Nielsen will:

Extract market information for identified horticulture commodities (retail sales for produce segments various fruits and vegetables) for the following regions:

- Maritimes (aggregated sales for NS, NB and PEI)
- Quebec
- Ontario
- Man/Sask (aggregated sales for Manitoba and Saskatchewan)
- Alberta
- BC
- Total National – aggregate of the above regions as defined.

Tabulate everything and provide the results in an Excel file with data for each identified commodity grouping in separate tabs.

The data being collected will be:

- Sales – retail dollar value
- Sales – equivalent kilo
- Price: average weighted price/kilo
- Sales percent change 2014 vs 2013

TIMING AND DELIVERABLES:

The Contractor will complete and submit the following deliverables:

The Nielsen Company will provide the data in English in an electronic format (statistical tables will be in Excel format and supporting documentation in MS Word and will include the retail sales of fresh produce (fruits and vegetables). The statistical dataset and report will be delivered to AAFC by March 31, 2015.

MINIMUM ESSENTIAL QUALIFICATIONS:

To fulfill the requirements of the contract, the person or firm must have the following minimum qualifications and experience:

- The person or firm must be able to provide point-of-sale scanner data methodology; and
- The ability to provide: (1) estimates of Canadian national retail produce sales in fruits/vegetable categories/segments for 2013-2014 based on point of sale scanner transactions records from a large and nationally representative set of grocery, drug and mass merchandiser retailers; and (2) by category, year over year percentage sales changes from 2013.

GOVERNMENT OF CANADA REGULATIONS EXCEPTION:

The Treasury Board's Government Contract Regulations, Part 10.2.1 Section 6 states there are four exceptions that permit the contracting authority to set aside the requirement to solicit bids. The exception for related to this ACAN includes:

d. "only one supplier person or firm is capable of performing the contract."

JUSTIFICATION FOR THE PRE-SELECTED SUPPLIER:

Given the Nielsen Company's proprietary databases of scanned sales transaction at retail point of sale, it is uniquely and solely positioned to provide comprehensive market information for food sales in Canada. This data is not available from any other supplier as AC Nielsen has exclusive rights to retail data.

CONTRACT PERIOD:

The initial contract period will be from contract award extending to March 31, 2015.

ESTIMATE OF COSTS:

It is intended to award a service contract to the supplier below for a firm fixed price of **\$26,545.00 (\$29,995.85 including applicable taxes)**.

AC Nielsen Company
160 McNabb Street,
Markham, ON L3R 4B8

PROJECT AUTHORITY:

The Project Authority for the contract is:

Gayatri Shankarraman
Deputy Director, Market Analysis and Information Section
Agriculture and Agri-Food Canada
1341 Baseline Road, Tower 5, Floor 4,
Ottawa, ON K1A 0C5
Tel: (613) 773-2134 Fax: (613) 773-0299
Email: gayatri.shankarraman@agr.gc.ca

CONTRACTING AUTHORITY:

The Contracting Authority for the contract is:

Stephanie Sehn
Senior Contracting Officer
Agriculture and Agri-Food Canada (AAFC)
1285 Baseline Road, Tower 3, Floor 5,
Ottawa, ON K1A 0C5
Tel: (613) 773-0935
Fax: (613) 773-0966
E-mail: stephanie.sehn@agr.gc.ca

SUPPLIERS RIGHT TO SUBMIT A STATEMENT OF CAPABILITIES:

Suppliers who consider themselves fully qualified and available to meet the specified requirements, may submit a Statement of Capabilities in writing to the contact person identified in this Notice on or before the closing date of this notice.

The Statement of Capabilities must clearly demonstrate how the supplier meets the advertised requirements. Statements of Capabilities must be delivered to and received by the Contracting Authority on or before the closing date.

The closing date and time for accepting Statements of Capabilities is **February 6th, 2015 at 12:00 P.M. (EST, Ottawa time)** to the following address:

Stephanie Sehn
Senior Contracting Officer
Agriculture and Agri-Food Canada (AAFC)
Professional Services Contracting Unit
1285 Baseline Road, Tower 3, Floor 5,
Ottawa, ON K1A 0C5
Tel: (613) 773-0935
Fax: (613) 773-0966
E-mail: stephanie.sehn@agr.gc.ca

Requisition Number: ACAN # 01B68-14-0281

Statements of Capabilities must be mailed or faxed on or before the closing date. Statement of Capabilities received on or before the closing date will be considered solely for the purpose of deciding whether or not to conduct a more extensive tendering process. Information provided will be used by the Crown for technical evaluation purposes only with respect to a decision to proceed to a further competitive process. Suppliers that have submitted a Statement of Capabilities will be notified in writing of AAFC's decision to proceed to award the contract without a further additional tendering process.

Should you have any questions concerning this requirement, contact the Contracting Officer identified above. The AAFC Solicitation Number (01B68-14-0281), the Contracting Officer's name and the closing date of the ACAN must appear on the outside of the envelope in block letters or, in the case of facsimile transmission, on the covering page.

The Crown retains the right to negotiate with suppliers on any procurement. Documents may be submitted in either official language of Canada.