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## Japan

### Market Development Reports

#### Food Business Line - Periodic Press Translations

2007

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**Report Highlights:** *Daiei Inc.* will resume sales of U.S. beef on August 18 at its 205 stores. They will sell U.S. beef only one day per month. So far, *Ito Yokado* and *Seiyu* have already started selling nationwide. *Aeon* is isolated from major supermarkets' selling U.S. beef. The key phrase for seasonings is "Large Variety Small Size Packages". Many imported seasonings are lined-up on the shelves. Due to declining family sizes, the aging population and increased purchases of HMR products, manufacturers and supermarkets are supplying many types of seasonings in smaller packages. Food processors and major supermarkets are stepping up the production and sale of organic food products amid growing concerns about food safety in Japan. Seventeen food processors, including *Itoham Foods Inc.* and *Nippon Flour Mills Co.*, will begin to jointly develop and market organic food products under the "Organic Guild" brand.

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Includes PSD Changes: No  
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[JA]



# Food Business Line

Periodic Press Translations from ATO Tokyo

Vol. VII, Issue 8, August 1-31, 2007

## Retail/Wholesale

- *Daiei Inc.* will resume sales of U.S. beef on August 18 at its 205 stores. They will sell U.S. beef only one day per month. So far, *Ito Yokado* and *Seiyu* have already started selling nationwide. *Aeon* is isolated from major supermarkets' selling U.S. beef. (g. 8/15)
- High-end supermarket *Precce Premium* at the newly opened mall Tokyo Midtown has attracted considerable attention. They feature chef's recipes/recommended menus, service staff with 10 different languages, and special utensils to create a better display of products. (b. 8/24)

## Food Service

- *WDI Corporation*, a major food service company owning several restaurant chains, will include new *sushi* menu items using California rice at the restaurants. The chef won the first prize at the "California Rice Masters Competition" conducted by *US Rice Federation*. (b. 8/10)
- *McDonald's "McFlurry"* soft ice cream topped with cookie crumbs is a hit. *McDonald's* successfully created a buzz by limiting the product's distribution and introducing it on their blog where customers advertised/created interest in *McFlurry*. (a. 8/18)
- A smoothie chain *Smooch Japan* will open the first shop in Tokyo August 26. They expect it is going to be popular among Japanese consumers because it is quite popular in the U.S. and Europe. They are planning to open 5 stores in Tokyo by June 2008 and 20 stores within 3 years. (b. 8/24)

## Food Processing/New Products/Market Trends

- *Meidi-Ya Co., Ltd.*, a food processing and wholesale company, will start selling jams made from domestic branded fruits such as "*Tochiotome*" and "*Amaoh*" strawberries and "*Fuji*" apples. The price will be approximately 60% higher than regular items using imported fruits, but *Meidi-Ya* says they will be sold well to middle-aged consumers by department stores and high-end supermarkets. (b. 8/8)
- More consumers are choosing to order meals by internet from delivery chain restaurants and even from individual restaurants. (a. 8/15)
- *Lotte Co., Ltd.* and other confectioners say that the trend of high percentage cacao chocolate will be over shortly because the health benefits of polyphenol sounds old and does not attract consumers any longer. (f. 8/6)
- *Kagome Co.* announced that their laboratory confirmed Lycopene prevents bones from lowering its density according to their mouse experiments in collaboration with the *National Health and Nutrition Laboratory*. Lycopene is a kind of Carotenoid found concentrated in tomatoes. (f. 8/6)
- According to the announcement by *Japan's Ministry of Finance*, total imports of frozen vegetables in January through June 2007 by volume was 403,750 tons, a decrease of 2.5% compared to the same period the previous year. It was the first decrease year in 4 years. The U.S. and Chinese shares are firm and stable, but Canada has had a big decrease. (f. 8/6)
- The key phrase for seasonings is "Large Variety Small Size Packages". Many imported seasonings are lined-up on the shelves. Due to declining family sizes, the aging population

and increased purchases of HMR products, manufacturers and supermarkets are supplying many types of seasonings in smaller packages. The desired package size range is from 44 to 64 grams. (a. 8/10)

- Japan's food self-sufficiency rate declined to 39% in fiscal 2006 as unseasonable weather hurt crops, according to data released Friday by the *Ministry of Agriculture, Forestry and Fisheries*. The rate fell below the 40% mark for the first time since fiscal 1993, when the nation saw a poor rice harvest. (a. g. 8/11) While *Nikkei* (a) stressed the needs to review improvements to self sufficiency, *Fuji Sankei* (g) emphasized the needs to make certain of Japan's food procurement from foreign export countries. (a. 8/11, g. 8/11)
- Food processors and major supermarkets are stepping up the production and sale of organic food products amid growing concerns about food safety in Japan. Seventeen food processors, including *Itoham Foods Inc.* and *Nippon Flour Mills Co.*, will begin to jointly develop and market organic food products under the "Organic Guild" brand. *Aeon Co.* will soon add 20 new items to their organic food items being sold under its brand. *Ito-Yokado Co.* started organic specialty corner at their stores in Tokyo metropolitan area. (a. 8/12)

### **Food Safety/Consumer Awareness**

- The decline in marine stocks has been reported often in Japanese media and spread to Japanese consumers' awareness. The "Marine Eco Label" certification system managed by the *Marine Stewardship Council* (MSC) is present in Japan; however, the consumers' interest is still lower compared to that of price and safety. (b. 8/6)
- *Ministry of Health, Welfare and Labor* initiated a project to secure health food safety. The Japanese health food market is said to be 1,300 billion yen, while many troubles and health damages caused by health foods have been reported. MHLW will set up a committee consisting of health food industry people and well-informed persons to discuss ingredients for health foods, labeling regulations for ADL and certification logo. They will draft a report within this year. (b. 8/8)
- Due to the to the incidence of pet deaths in the U.S. caused by tainted pet food made from Chinese ingredients, *Ministry of Agriculture, Forestry and Fisheries* (MAFF) and *Ministry of the Environment* (MOE) have established a "pet food safety study group" consisting of well-informed persons. (a. 8/21)

### **ATO/Cooperator/Competitor Activities/Trade Shows**

- *The California Walnut Commission* and major natto (Japanese traditional food - fermented soybeans) manufacturer *Kume Quality Products* held a press conference to announce their collaborative promotion to develop new recipe ideas using California walnuts and natto. (g. 8/1)
- *The U.S. Potato board* is developing the Japanese market for frozen mashed potato. They are introducing new and unique "Vegetable-mashed" menus for food service such as "Mashed potato with horseradish" and "Mashed potato with miso (Japanese traditional food - fermented soybean paste) and *shiitake* mushrooms". (b. 8/15)
- *USMEF* conducted a consumer event "We Care" caravan on August 4-5 in Yokosuka city in Kanagawa Prefecture. 500 people including kids enjoyed tasting U.S. beef. The same event has been planned for 7 different locations. (f. 8/20)
- It seems U.S. cheese is becoming an important ingredient to add value to breads and confections. *U.S. Dairy Export Council* sponsored "American Cheese Baking Seminar" with technical support by *Nisshin Seifun Group Inc.* (f. 8/20)

- *The U.S. Honey Board* held “The 2<sup>nd</sup> U.S. Honey Recipe Contest” final judgment and award ceremony at a professional cooking school in Tokyo. U.S. honey is 100% natural, and there are over 300 varieties. They are expecting to expand the market. (f. 8/23)
- *The California Fig Advisory Board* held “The 2nd California Fig Recipe Contest” final judgment and award ceremony. The event is to promote versatility of California figs to the bakeries, cake shops and food service industry. (f. 8/23)

#### ☞ Sources ☞

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|----------------------------------|---|
| (a) The Japan Economic Newspaper | (b) The Nikkei Marketing Journal        |
| (c) The Japan Food Journal       | (d) The Beverage & Food News Commentary |
| (e) The Japan Food News          | (f) The Food Industry News              |
| (g) Fuji Sankei Business I       | (h) Pan News                            |

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