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Market Development Reports Food Busines Line - Periodic Press Translations 2007

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Report Highlights: *Matsuya Foods Co., Ltd.*, which manages a number of beef bowl chain restaurants in Japan, started selling a Korean beef barbeque set menu using U.S. beef at one of their outlets. If the company is successful in that restaurant, Matsuya Foods will expand the use of U.S. beef to other outlets in the near future. "Mellow Gold," a new variety of grapefruit from California, is becoming popular among consumers because of its taste and juiciness. In a recent interview, the importer of this fruit said, "the Japanese people prefer something different and we always need new products to increase our sales."

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Tokyo ATO [JA2]



Food Business Line

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Retail/Wholesale

- Lawson Store 100 started selling raw fish for the first time at some of their convenience stores. (a. 1/19)
- According to sales research on retail stores, total sales in 2006 for department stores, supermarkets and convenience stores decreased compared to last year. In fact, i was the seventh consecutive year where sales decreased. (g. 1/23)
- Major convenience stores will open new outlets and renovate existing stores in an effort to attract older customers and housewives, which are the target demographic groups for convenience stores. Seven-Eleven Japan will also expand its delivery service for older customers. (a. 1/9)
- Seven & I Holdings will start private label foods common among its group of 5 companies: Seven-Eleven Japan, Ito Yokado, York Benimaru, York Mart, and Shell Garden. (f. 1/11)

Food Service

- According to the *Japan Food Service Association*, total sales for its member restaurants in 2006 increased by 0.1% compared to the 2005. It was the first increase since 1994. The increase was due to improving sales for fast food restaurants, were sales increased by 1.8% compared to the previous year. (b. 1/26)
- Matsuya Foods Co., Ltd., which manages a number of beef bowl restaurants in Japan, started selling a Korean beef barbeque set menu using U.S. beef at one of their outlets. If the company is successful in that restaurant, Matsuya Foods will expand the use of U.S. beef to other outlets in the near future. (b. 1/12)

Food Processing/New Products/Market Trends

- "Mellow Gold," a new variety of grapefruit from California, is becoming popular among consumers because of its taste and juiciness. In a recent interview, the importer of this fruit said, "the Japanese people prefer something different and we always need new products to increase our sales." (a. 1/5)
- Wholesale prices of California citrus in Japan are rising sharply due to cold weather damage in the production areas in California. The wholesale prices are 30% higher than last year. (a. 1/19)
- A well established U.S. soup company started selling cup-a-soup specifically for the Japanese market. The soup, which is being sold in convenience stores and targets women in their 20s and 30s, has sold very well. This is an indication that the Japanese competitive cupa-soup market has became even more robust. (g. 1/31)
- The sales of high quality uncured ham imported from Europe have increased. Ham is popular among Japanese consumers for its convenience and quality, and is especially popular for parties and weekend home cooking. (a. 1/27)
- Ito Ham Foods Inc. will start selling a new type of ham with 40% less calories. Shredded "Kon-nyaku," a gelatinous food made from a kind of potato, is added to increase the moisture to cover the product's dryness when it is processed with less pork fat. (a. 1/27)

- Over the last several years to further makers have tried measures to increase consumption. For example, they have added words such as "Domestic" and "non-GMO" to their packages. Even with these measures, per capita consumption of tofu in 2005 decreased by 14% compared to 2000. (a. 1/27)
- Major wine importers are increasing the price of European wines due to the strong Euro. (a. 1/16, b. 1/19)
- Wholesale prices for apples are higher this year due to increased demand. Consumers are eating apples instead of other domestically grown fruits, such as mikan oranges and melons, because of production shortages in Japan. The average price for apples at the Metropolitan Central Wholesale Market was recently 271 yen per kilogram, an increase of 16% compared to last year. (a. 1/13)
- Fujiya Co., a major confectioner, announced the suspension of operations at five confectionery plants and said it had stopped selling sweets at about 900 outlets and restaurants across the country. This was in response to using out-of-date milk to make cream puffs. (a. 1/12)

Food Safety/Consumer Awareness

 The Tochigi Prefecture Headquarters of the National Federation of Agricultural Cooperatives (Zen-Noh) will introduce traceability for fresh produce to emphasize "Anshin" (the trust toward food) to expand the consumption of fresh produce. (b. 1/22)

ATO/Cooperator/Competitor Activities/Trade Shows

Meat & Wool New Zealand will hold a box lunch recipe contest using red meat. The import of beef from New Zealand has increased to 35,000 tons, which is 2.6 times what it was in 2000. (b. 1/29)

♥ Sources ₺

- (a) The Japan Economic Newspaper
- (c) The Japan Food Journal
- (e) The Japan Food News
- (g) Fuji Sankei Business I
- (i) Nihon Keizai Shimbun

- (b) The Nikkei Marketing Journal
- (d) The Beverage & Food News Commentary
- (f) The Food Industry News
- (h) Pan News

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