



Foreign Agricultural Service

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## Japan

### Market Development Reports

#### Food Business Line

*Periodic Press Translations from ATO Tokyo*

**2002**

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**Report Highlights:** A summary of current news reports in America's largest food and agricultural export market as translated from Japan's mass media and food press. This issue includes: food sales at department store food basements expanding; major supermarket chains plan to double number of new stores in 2002; Kikkoman launches new processed food line; and Asahi Beer reaches top market share position over Kirin Brewery for first time in 48 years.

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Includes PSD changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Tokyo ATO [JA2], JA



## Food Business Line

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Periodic Press Translations from ATO Tokyo

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### Retail/Wholesale

- Department stores are putting more effort into their basement food floors by introducing more *sozai* side dishes and western confectionery products. According to the *Japan Department Store Association*, food sales at the basement floors of department stores accounted for about 19% of the overall sales of member companies in 1990. This figure increased to 23% in 2000, while sales in other areas, such as clothing, declined. (b 1/4)
- Fifteen major supermarket chains, such as *Life Corporation*, *Tokyu Store*, and *York-Benimaru*, each plan to double the number of their new stores this year compared to 2001. Total sales including food have been declining for the past three years, but these firms' food sales have been less affected by the difficult times faced by the industry. (a 1/8)
- Total sales by department stores in the Tokyo and Osaka areas in 2001 rose for the first time in five years on a same-store basis. The growth, which was estimated at 0.5% for Tokyo and 0.9% for Osaka, is due mainly to good sales of food and exclusive apparel brands, as well as the relaxation of competition brought about by the collapse of *Sogo* department store. (a 1/10)
- Supermarkets are starting to open stores in the urban centers of Tokyo, such as Ginza, targeting an increasing number of people who have returned from the suburbs to live in the city. At the same time, exclusive apparel brand shops like Louis Vuitton and Gucci, located in suburban areas such as Tachikawa, are doing well with nearby residents. (a 1/11)
- *Mitsubishi Corporation* announced on January 10 that they will become the largest shareholder of *Maruichi Sansho*, the largest regional food and seafood wholesaler in the Nagano area. (a 1/11)

### Food Service

- *Hotel Okura* plans to hold an "Enjoy the Taste of Japanese Beef" international menu fair January 19-28 at its eight hotel restaurants. The aim is to encourage consumers to eat beef and overcome the distrust that has developed since the BSE detection in Japan. Japanese, European, and Chinese dishes will be offered using Japanese *Matsuzaka* beef, as well as a souvenir beef pack to take home. (a 1/9)

### Food Processing/New Products/Market Trends

- *Kikkoman* plans to enter the processed foods market by introducing a new line in February under the name of "Uchi no Gohan" (My Home Meals). Five products, including a Japanese-style omelette and pork and tofu sukiyaki, will be seasoned with *Kikkoman's* soy sauce in a retort pouch pack. *Kikkoman* is targeting 1.5 billion yen (roughly \$12 million) in sales in the first year. (a 1/4)

- *Asahi Beer* reached the top market share position in terms of sales of the Japanese domestic beer and *happoshu* malt liquor market in 2001, surpassing *Kirin Brewery*. It is the first time in 48 years for *Asahi* to rank first. (a 1/10)
- Due to the rise in price of soybeans and rapeseed brought about by the weakening yen, vegetable oil manufacturing companies, such as *Honen Corporation* and *Showa Sangyo*, plan to raise the price of edible oil sold to food service companies. (a 1/11)

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

- Australia's Queensland State Government announced on January 9 that 10 head of cattle from a Queensland's dairy farm died from anthrax infections. (a 1/10)
- The *American Soybean Association* held a conference on November 29 in Tokyo on the quality prospects for U.S. soybeans. About 250 industry people attended the event. (f 1/10)

### **RRRRRRRR**

#### **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              |

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