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HRI Trade Showcase – U.S. pavilion at Kuze Tradeshow 2014

Report Categories:

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Report Highlights:

On September 9 and 10, ATO Tokyo teamed up with 11 cooperators and importers to create a U.S. food pavilion at the Kuze Tradeshow. Kuze is a major food service wholesaler and distributor in Japan that holds biannual trade shows for its customers. The trade showcase attracted over 4,100 of Kuze's most serious buyers from the HRI and retail sectors.

Executive Summary:

On September 9 and 10, ATO Tokyo teamed up with 11 cooperators and importers to create a U.S. food pavilion at the Kuze Tradeshow. Kuze is a major food service wholesaler and distributor in Japan that holds biannual trade shows for its customers. This was the third year that the ATO participated in this event, but the largest U.S. pavilion to date. The pavilion was one of the most attractive of the event, and the largest of any foreign supplier.

The ATO used a special concept for the pavilion, focusing on Great American Barbecue. — "Enjoy American BBQ!" This concept was established to cover all exhibitor products including, U.S beef and pork, U.S. cheese, U.S. Peanut, U.S. potato, U.S. rice, Sunkist California citrus, New York cheese cakes, Oregon mix berries, and others. ATO created a guidebook for "Great American Barbecue!" to increase the visibility of the concept. The trade showcase attracted over 4,100 Kuze's quality buyers from the HRI and retail sectors.

General Information:

I. Market Constrains and Opportunities

Constraints:

- Lack of U.S. product awareness by Japanese food buyers and regional retailers
- Lack of coordinated business communication between U.S. agents & Japanese buyers

Opportunities:

- Increasing demand of American style restaurants and imported food among Japanese food industry and consumers
- Japan market's high receptivity for U.S. high value-added products
- Creation of new demand from booming economy

II. Expected Results and Desired Outcome

ATO Tokyo has discovered a significant outcome of a U.S. food pavilion at the Kuze's previous trade show last year which had 4,000 executive buyers. The U.S. pavilion at the tradeshow yielded good sales results and created a total of over 445 business meetings with the High quality visitors/buyers at reasonable cost for participation. ATO expected to have more number of visitors and number of business meetings than last year.

Kuze is a major food service wholesaler which had over 600 employees and \$600 million in revenue in 2013. After fierce competition among food wholesale industry, Kuze is one of survivors that retain good relationships with buyers in food industry. In spite of the rise of Cash & Carry business, Kuze counts major hotel and chain restaurants as their key business contacts.

The company puts on trade showcases twice a year in spring and autumn. This tradeshow named

"Food Service Solutions," usually showcased domestic food products and imported food products under same food brands. U.S. agricultural cooperators and importers would gain direct access to a quality buyer if ATO could facilitate a U.S. pavilion in the Kuze showcase again. ATO expected to have more number of quality visitors than last year.

In order to obtain more attention at the U.S. pavilion and convince professional buyers during the two days-long trade show, ATO created "Enjoy American Barbecue!" concepts and its guidebook to increase the visibility of its promotional meaning. ATO also recruited an event co-sponsor, A&F Company as an exhibitor, which imports "Weber" brand BBQ grills, "Lodge" outdoor cookware and a variety of outdoor goods from the U.S. A&F created visible authentic American BBQ atmosphere at the American pavilion, with three BBQ kettles, three camp ovens and a dozen skillets, and A&F staff conducted Enjoy American BBQ cooking demonstrations while cooking exhibited U.S. food products; such as steaks, barbecue ribs and paella using U.S. rice.

Snap Shots: Tasting Samples







US rice and olive oil - paella



grilled US turkey



barbecue US pork ribs with US barbecue source

This collaboration between the U.S. food and the U.S. outdoor cooking ware was a good example of supporting relationships between U.S. Department of Agriculture and Foreign Commercial Service to beef up National Export Initiative (NEI).

III. Actual Results and Outcome

ATO Tokyo recruited 11 cooperators and importers for the U.S. pavilion. The U.S. pavilion highlighted these U.S. foods under the "Enjoy BBQ!" program to provide ideas about American food menus to Japanese buyers. Several chain restaurants showed great interest in having an "Enjoy BBQ!" related American menu fair with variety of exhibited U.S. food products. The participants and also ATO could develop a number of new clients through the showcase.

List of Exhibitors

| Company | Products (States) |
|-----------------------------|----------------------------------|
| U.S. Meat Export Federation | Beef and pork products (various) |
| U.S. Rice Federation | U.S. rice (various) |
| U.S. Potato Board | Dehydrate and frozen products |
| U.S. Dairy Export Council | U.S. cheese (various) |
| American Peanut Council | U.S. peanuts (various) |

| Sunkist | California citrus; lemon, orange |
|-----------------------------------|---|
| Japan Green Tea Co., Ltd. | Crazy Salt seasoning, organic chocolate, packed dry |
| | fruits |
| Maruka Corporation | Berry Up - berry mix (OR) |
| DFC Foods Co., Ltd. | Cheese cakes, frozen berries (IL, CA) |
| Organic Food Life | White sorghum; pancake/waffle |
| A&F Company | Weber BBQ grill, Lodge skillets |
| ATO Tokyo and BBQ/outdoor cooking | Enjoy American BBQ! Promotion |
| sampling | U.S. steak cuts, back-ribs, rib-chips |
| - Tozai-Sangyo Boeki | Grilled U.S. turkey |
| - Kanematsu Shintoa Boeki | |

The two day long trade show attracted over 4,100 Japanese buyers from HRI and retail sectors. Popular products among buyers are steak ready beef cuts/portion controlled beef slices and pork products, cooked BBQ products, shred cheese, potato products, cheese cakes-frozen, frozen mixed berries, and allergy free frozen pancakes using white sorghum. The U.S. product exhibitors reported total expected sales of US\$510,000 within the next 12 months.





Sunkist Pacific demonstrated fresh squized lemonade tasting



The team of U.S. Dairy Export Council and American Peanuts Council showed variety of recipes and samples



U.S. potato board offered attractive potato recipes that they created for Japan market



The importer of U.S. frozen berries and cheese cakes had serious business meetings

IV. Cost/Revenue

The total cost to ATO Tokyo for the event was about \$5,000, which was paid out of the Post's CSSF budget. This included the fees for the space, contract for an agent to help set up and manage the pavilion, display materials and refrigerator rental for overnight food storage.

All participants made contributions towards the cost of their own exhibit spaces, as well as their own promotional staff, food and beverage samples, and other related fees. These contributions added up to at least\$17,700.

Kuze Co., Ltd. allocated a larger space for the U.S. pavilion this year, which took up 10 booths compared to 8 last year. Kuze also provided considerable discounts due to Posts ongoing good relationship with the company. They also offered special services for free such as providing special burn-resistant back-walls and additional staff to help service the booths and welcome attendees.

V. Follow-up Evaluation

All except one participating U.S. exhibitor returned their evaluation forms, and 100% of the feedback we received was positive Exhibitors especially noted the large number of visitors passing by and stopping at the U.S. pavilion, as well as the efficiency and reasonable cost of the event. All of them were busy throughout the show, with a total of over 1,040 serious business conversations/meetings with buyers during the two days-long tradeshow. Most of the exhibitors were impressed by quality of buyers that Kuze invited to the tradeshow. Asked if they would like to participate in a same type of

| trade show, | will be held | in the future | e agair | | |
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