



Foreign Agricultural Service

**GAIN Report**

Global Agriculture Information Network

Voluntary Report - public distribution

Date: 8/23/1999

GAIN Report #JA9527

## Japan

### This Week in Japan

1999

Approved by:

**Karen Halliburton**

**ATO Tokyo**

Prepared by:

ATO and AgAffairs Office

---

#### Report Highlights:

Summary of events and developments in the United States' largest export market for agricultural, forestry, and fishery products. This week's highlights include:

**Ambassador Launches Opening of T.G.I. Friday's Japan; Imports of U.S. Beef and Pork to Rise in 1999 Despite Japan's Slumping Economy; MAFF to Scrap Domestic Dairy Pricing Mechanism; Housing Starts Forecast to Recover Slightly in 1999.**

---

Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Tokyo ATO [JA2], JA



## ***This Week in Japan***

*An Update of Major News and Events from the Largest U.S. Agricultural Export Market*  
Volume III, Issue 34  
August 23, 1999

- i      Ambassador Launches Opening of T.G.I. Friday's Japan:** T.G.I. Friday's Japan held a reception Saturday, August 21 in the Shibuya area of Tokyo to celebrate the grand opening of its first restaurant in Japan. U.S. Ambassador Foley made a special guest appearance at the event to help launch the opening in support of American agriculture and the global food service industry it supplies working hand-in-hand with franchises like T.G.I. Friday's. The Ambassador gave a short congratulatory speech and participated in the ribbon-cutting ceremony along with executives from Carlson Restaurants Worldwide (the U.S. parent company of the T.G.I. Friday's franchise) and its Japanese partner company, Watami Food Service. Watami is a leading traditional "izakaya" pub-restaurant chain in Japan with over 100 restaurants which ATO has been working with over the past few months to stimulate procurement of U.S. food and beverages for Watami's and T.G.I. Friday's menus. Watami already secures about \$10 million annually worth of U.S. food ingredients for its restaurants, and U.S. wines, beef and vegetables highlight the T.G.I. Friday's menu. While the Shibuya outlet is the franchise's first location in Japan, three more outlets are already planned for the Tokyo metropolitan area from next year. (ATO Tokyo)
- i      Imports of U.S. Beef and Pork to Rise in 1999, Despite Japan's Slumping Economy:** Imports of U.S. beef in 1999 are forecast to modestly rise from a year ago to 325,000 MT for a leading 48 percent market share, and imports of U.S. pork are forecast at 170,000 MT, up 6 percent for a leading 30 percent market share. Japan's pork and beef production is forecast to decline slightly from last year. While consumers have become more value conscious, red meat consumption levels are being maintained through purchases of lower cost meat cuts, particularly those from the United States. In the year 2000 Japan's imports of beef will increase moderately, while imports of pork will remain at about the same level as 1999. For details see JA9098. (AgAffairs Tokyo)
- i      MAFF to Scrap Domestic Dairy Pricing Mechanism:** In response to the continuing decline of Japan's dairy sector, the Japanese Ministry of Agriculture, Forestry and Fisheries (MAFF) is taking steps to revise domestic policy. Under a new program, by 2001 the guaranteed price and the standard transaction price for butter, NFDM, and other dairy commodities will be abolished, and prices will be determined by market forces. MAFF will establish a pilot market for NFDM around September 1999. MAFF reports the existing program's funding could be transferred to a farm income subsidy, but it will still conform with WTO rules. It is too early to assess any impact on imported U.S. dairy products. For details see JA9103. (AgAffairs Tokyo)
- i      Housing Starts Forecast to Recover Slightly in 1999:** Japan's housing starts have been

seesawing for the first six months of 1999, sending mixed signals to market watchers of this key sector for wood demand. The Japanese industry still projects housing starts in 1999 will reach between 1.24 and 1.30 million starts, up from 1.19 million in 1998. (AgAffairs Tokyo)

**i Upcoming Events:**

8/26	Monteroza GARC Menu Showcase, Tokyo
9/16-17	Maruichi Sansho Wholesaler Show, Nagano
10/8-10	Shizuoka Foreign Access Zone (FAZ) Import Fair, Shimizu