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Japan

Tomatoes and Products

Annual

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Report Highlights:

The Japanese sales of U.S. tomatoes declined approximately 30 percent to 1,048 metric tons in 2001. The principle reason for the decline was Japan's slow economy, according to Tokyo's traders. Both U.S. round tomatoes and Roma tomatoes continue to be well received by Japanese pizza chains, sandwich shops, hotels and restaurants. Steady sales of U.S. tomatoes are expected in 2002, as clients who continue to favor U.S. tomatoes over domestic ones.

Includes PSD changes: Yes

Includes Trade Matrix: Yes

Annual Report

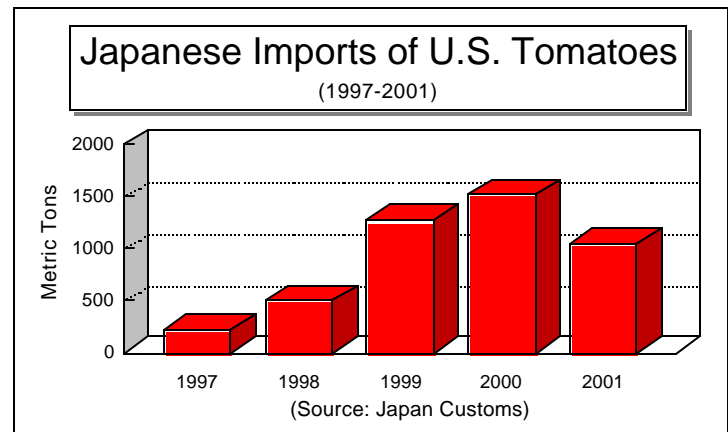
Tokyo [JA1], JA

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U.S. Tomatoes Experienced Slow Sales in Japan in 2001

The Japanese sales of U.S. tomatoes declined approximately 30 percent to 1,048 metric tons in 2001. U.S. fresh tomatoes are available in the Japanese market year round, with California tomatoes from June through November, and Florida ones from December through May. The sales for both California and Florida tomatoes declined equally in 2001. The principle reason for the decline was Japan's slow economy, according to Tokyo's traders.



U.S. fresh tomatoes are mostly sold to Japan's food service sector; round type tomatoes are mainly used by hamburger chains, sandwich shops, and hotels, and Roma type tomatoes are mainly used at pizza chains and Italian restaurants. The Japan's recent economic recession made it difficult for Japanese food service operators to make a profit without reducing their operating costs, including the cost of foods. U.S. tomatoes often selling at significantly higher prices than domestic tomatoes. U.S. tomatoes are usually traded at 400 - 600 yen (\$3.21 - \$4.81) per kilogram, while domestic tomatoes are traded at 250 - 350 yen (\$2.00 - \$2.81) per kilogram. Cost-cutting pressures on food service operators are partly to blame for the loss of U.S. Tomato sales in Japan.

Firm Texture of U.S. Tomatoes Attracts Japanese Clients

Unlike Japanese tomatoes, U.S. tomatoes have a fairly firm flesh with little gel, characteristics perfectly suited for making sandwiches. This has given U.S. tomatoes a good reputation among Japanese sandwich makers. One sandwich maker commented that by using U.S. tomatoes sandwiches stayed fresh and did not become soggy, which is a common problem when using domestic tomatoes. Assorted sandwiches (usually vegetables and ham) packaged in a clam-shell plastic container are sold nation wide at convenience stores and railway stations. Starbucks Japan uses U.S. tomatoes in their BLT sandwiches at its 250 stores nationwide. Universal Studios Japan in Osaka has used only U.S. tomatoes on their hamburgers and in their sandwiches since opening in April 2001.

Japan's Cooking Tomato Market Slowly Expands

Although Japan produces a very small amount of cooking tomatoes (less than 1 percent of the total tomato production), the Japanese cooking tomato market is slowly expanding. Traditionally, Japanese eat fresh tomatoes raw. Recent promotions for cooked tomatoes by Italian restaurants, hotels and retail stores has successfully expanded the market for cooking tomatoes.

Japan's major tomato ketchup processors expanded their business into this niche market, selling cooking tomatoes to Italian restaurants and supermarkets capitalizing on their established marketing channels for ketchup. Ketchup companies developed their own varieties of tomatoes best suited for cooking are using their contracted tomato farms for producing cooking tomatoes. Japan Tobacco Corporation has also become a major player in the development of cooking tomatoes.

Steady Imports of U.S. Tomatoes Expected in 2002

Japanese imports of U.S. tomatoes was 234 metric tons in January through April 2002, down approximately 19 percent from the same period in 2001. Japanese traders expect some growth in U.S. tomato imports when California tomatoes become available in the market (June through November). Although Japanese imports of U.S. tomatoes is relatively small, there are reliable clients who continue to favor U.S. tomatoes over domestic ones. Japanese traders explain that there is a good potential market for U.S. tomatoes in Japan and U.S. tomato sales would expand if U.S. tomatoes were more price competitive.

PS&D Tables and Trade Matrices

Fresh Tomato PS&D Table

PSD Table						
Country	Japan					
Commodity	Fresh Tomatoes				(HA)(MT)	
	Revised	2000	Preliminary	2001	Forecast	2002
	Old	New	Old	New	Old	New
Market Year Begin		01/2000		01/2001		01/2002
Plnt For Fresh Consump	0	12691	0	12606	0	12525
Plnt For Processing	0	909	0	894	0	875
TOTAL Area Planted	0	13600	0	13500	0	13400
Harv. For Fresh Cons.	0	12691	0	12606	0	12525
Harv. For Processing	0	909	0	894	0	875
TOTAL Area Harvested	0	13600	0	13500	0	13400
Fresh Sale Production	0	737900	0	735400	0	731000
Processing Production	0	66500	0	62200	0	58500
TOTAL Production	0	804400	0	797600	0	789500
TOTAL SUPPLY	0	804400	0	797600	0	789500

Fresh Tomato Import Trade Matrix

Import Trade Matrix			
Country	Japan		
Commodity	Fresh Tomatoes		
Time period	Jan. - Dec.	Units:	Metric Tons
Imports for:	2000		2001
U.S.	1518	U.S.	1048
Others		Others	
South Korea	11262	South Korea	8252
Canada	99	Canada	125
New Zealand	65	New Zealand	11
Netherlands	59	Netherlands	15
Total for Others	11485		8403
Others not Listed	0		0
Grand Total	13003		9451

Fresh Tomato Price Table

Prices Table			
Country	Japan		
Commodity	Fresh Tomatoes		
Prices in	Yen	per	KG
Year	2001	2002	% Change
Jan	362	241	-33.43%
Feb	353	247	-30.03%
Mar	395	331	-16.20%
Apr	358	333	-6.98%
May	238	244	2.52%
Jun	216		-100.00%
Jul	241		-100.00%
Aug	319		-100.00%
Sep	315		-100.00%
Oct	301		-100.00%
Nov	352		-100.00%
Dec	303		-100.00%
Exchange Rate	124.5	Local currency/US \$	