

fixed-unit pricing. This assists the HRI trade in maintaining a standard quality and in reducing labour costs and wastage.

HRI trade is serviced by foodservices distributors who provide store to door delivery. The distributors cover a defined territory and provide a full line of dry, refrigerated, and frozen foods. Distributors carry as many as 30,000 items, making it easy for a product to be lost in the distributor's price list. Canadian firms must be committed to working with the HRI trade on a long-term, ongoing basis if they wish to be successful.

The above generalizations may be true for the American market in general, but it is essential to approach the American market as several distinct regional markets. Each has its own ways of doing business, major buyers and distributors. For an excellent overview of the structure of the U.S. agri-food market see the "Canadian Exporters' Handbook on Doing Business in the U.S. Food and Seafood Markets" and "A Guide to Agri-Food Trade Shows in the United States" both prepared by the United States Trade, Tourism and Investment Development Bureau, Foreign Affairs and International Trade.

## JAPAN

Emerging food markets in Japan are dominated by food-fads and relatively short product life cycles. Trends in Japanese eating styles are similar to patterns seen in North American markets: strong demand for value and quality; smaller packaged foods; convenience foods; more flavourful food, and more healthy foods.

The hectic lifestyle common in big Japanese cities has led to an increased preference for convenience foods. Examples of this trend are: prepared vegetables, packed lunches and microwavable foods. The convenience, low price, and fresh taste of microwavable foods have led to a high demand for such products and strong competition amongst food manufacturers to develop new and better products.

Several other developments in the Japanese food markets are emerging. One is an increase in the sophistication and diversification of foods. For example: a wider range of bread products such as rolls, french and rye breads; quality processed foods such as 100% pork, Vienna sausage; and other Western style, delicatessen foods are becoming increasingly popular. Secondly, there is a trend toward changing the texture of foods to suit Japanese preferences. Thirdly, there is a slowly emerging trend among young Japanese consumers away from powdered, instant and fully prepared frozen foods to raw and fresh foods, with a preference for no preservatives, and fresh, natural flavours. As in most industrialized, developed nations Japanese people are becoming more concerned with nutritional food consumption. Consumption of low sugar, low calorie foods such as sugarless gums, soft drinks, chocolates, jam, and cookies is on the rise. The markets for salt-reduced and low cholesterol foods are growing steadily.