

Contrary to belief, meat retailers have a tendency to run their business to the ground. In 1984, there were 30 000 independent meat retailers. By 1989, the number had decreased by 3 000, the decline attributable to mismanagement on the part of store owners, lulled into a false sense of security by the monthly payment system.

Most major supermarkets have their own in-store butcher shops while department stores (hyakkatens) either operate their own meat shops or lease space to an independent meat retailer.

In-store smoking of meat is not widely practised. There are very few professionals at the retail level who are capable of smoking meat and most butcher shops face space limitations (this might represent an opportunity for compact equipment). There are only a few in-store operations in the Kanto region, including one in Jiygaoka's Tokyo department store and another in the Takashimaya department store in Futagotamagawa. Most small-scale meat retailers, whether in-store or not, purchase smoked meat supplies in a processed state from a meat distributor or one of the major meat processors.

### Market for Meat Processing Equipment

Meat processing equipment falls into three categories: slaughterhouse and dressing machines (chain hoist, electric slaughter, etc.); livestock food processing machines (depilators, blood draining machines, grills, etc.); and meat processing machines (mixers, cutters, slicers, smoking houses, ham and sausage processors, etc.).

Domestic beef and pork processors dislike de-boning machines as they usually result in wasted meat and also feel that meat quality tends to suffer with the use of these machines. As a result, most de-boning is done by hand. However, for lower-quality meats used in such products as hamburger, and for processing of chicken, de-boning machines are used to a limited degree.

Currently, 90 per cent of all Japanese smoke houses are large-size units used for industrial applications. Space restrictions and lack of skilled labor tend to limit their use to industrial applications.

The demand for replacement machines accounts for a substantial portion of the meat processing machinery market.

### Domestic Production of Meat Processing Equipment

Domestic production of meat processing machinery rose steadily between 1984 and 1988 to reach in excess of 17 billion, the increase largely attributable to increased capital investment by domestic meat producers (see Table 5).

Table 5

#### Domestic Meat Processing Machinery Production

Year	Value (¥ million)
1984	13 465
1985	13 246
1986	14 161
1987	15 832
1988	17 288

Source: Ministry of Finance.

There are approximately 60 meat and fish processing machinery manufacturers in Japan. The top five manufacturers — Nantsune Tekko, Yanagiya Machinery, Watanabe Iron Works, Hanaki Industries, and Nara Machinery — accounted for almost 60 per cent of the total domestic production in 1988. Profiles on Nantsune Tekko, Watanabe Iron Works and Hanaki Industries are presented in Chapter 10.

Other major manufacturers include Maşuko Sangyo, Ohtsubo Tekkosho, Fuji Kikai Kogyo, Yamazaki Machine Manufacturing, Bibun Kikai S/S, Daiyo S/S, Kuwabara Kikai Kogyo, Izumi Food Machinery, Seibu Sangyo, and Nihon Rakuno Kikai.