

## 1 Introduction

The beverage industry is one of the most dynamic in the Japanese food sector. Each year about 3 000 new products are introduced into its market with a total annual value of up to C\$20 billion, not including alcoholic beverages. Overall industry expansion during the period 1983 to 1987 was about 13.5 per cent.

One of the fastest growing segments is that of 100 per cent pure fruit juice. It increased by about 50 per cent between 1983 and 1987. The approximate market share of specific juices is orange 60 per cent, apple 15 per cent, grape 10 per cent, grapefruit 10 per cent and others 5 per cent.

The import of grapefruit juice was liberalized in 1986; however, orange, apple and grape juices are still restricted by quotas. Single-strength and concentrated apple and grape juice imports will be liberalized on April 1, 1990. Orange juice liberalization is scheduled for 1992. The market for these three juices is expected to grow significantly after liberalization and it should present an excellent opportunity for Canadian exporters. This is especially true for apple juice.

## 2 Fruit Juice Definitions and Standards

According to the Japanese Agricultural Standard (JAS) classification, condensed juice squeezed from fruit is called "fruit concentrate," squeezed juice with a natural density is called "fruit juice," drinks containing 10 per cent or more but less than 100 per cent fruit juice are "fruit drinks," drinks mixed with purée are "fruit pulp drinks," and fruit juices with added citrus granules are called "fruit juice containing granules."

Fruit concentrates and fruit juices are currently major import items and their volumes are expected to continue to grow.

Orange, apple and grape concentrates and juices are covered by global import quotas. Fruit drinks produced from these products are not quota items. The Ministry of Agriculture, Forestry and Fisheries (MAFF) has a policy subjecting any beverage product containing 50 per cent or more pure fruit juice to import quotas.

The average industry-imposed standards are higher than those of the JAS, which are no longer as important as they once were. Although it is possible for a foreign manufacturer to obtain JAS product approval, the procedure is time-consuming and expensive. The limited benefit that may be gained is not worth the expense and effort. JAS standards are the responsibility of MAFF.

Two factors considered crucial in the marketing of 100 per cent fruit juice in Japan are the use of a see-through bottle and a sealed cap. The former is important because most imported apple juice is clear as opposed to the cloudy Japanese product. The sealed caps required by food regulations must be resealable on large containers.