

Supply, Delivery and Price

There is constant demand for salmon throughout the year even though certain species, such as fresh Coho salmon, are seasonal (i.e. August to October). This provides an opportunity for foreign suppliers during the rest of the year.

It is expected that the supply of Coho salmon will increase in the future as more is imported from Chile to Japan. If the price of Coho salmon falls as a result, additional downward pressure on the price of farmed Coho salmon in the Japanese market is expected. Also, since wild salmon is considered to be superior in quality to farmed salmon, lower prices for wild salmon mean even lower prices for farmed salmon.

Consequently, Japanese importers expect Canadian producers of farmed salmon to compete by lowering their prices in return for higher sales volume. Some importers suggested that the stability and size of the Canadian supply and its proximity to Japan give Canadian producers distinct advantages over their European competitors.

Of special interest were the comments regarding distribution within Japan. One company observed that if the target is retail sales, it is better to establish a distribution system for daily delivery.

Another company remarked that because there are so many distribution channels in Japan, it had to devise its own distribution system. First, information on quality and market price was obtained by selling imported salmon on a consignment basis at the Central Wholesale Market. Then, using this market knowledge, the salmon was sold to large-sized retailers such as supermarkets. Frozen farmed salmon was sold to smokers. The company's success lies in merchandising both fresh and frozen farmed salmon to specific niche markets.

Another company outlined delivery procedures for fresh salmon. Since shipments are by air, they should be regular (i.e. weekly). Considerations such as frequency and size of shipment, distance and travelling time from farm to airport, and packing requirements, are all crucial for ensuring freshness and stability of supply. Also, for sanitary control purposes, a certificate of inspection may be required because fresh salmon can be used as sashimi. The salmon is inspected for parasitic worms and bacteria.

Colour, Size and Quality

Most of the importers interviewed emphasized the importance of meeting Japanese expectations for quality, meat colour and size.

One company identified careful processing (the complete removal of the gill), preference for red meat colour (with remaining silver colour on the skin), and careful size selection as important considerations.

The optimal size for fresh and frozen salmon is two to three kilograms. There is little demand for salmon that is smaller than two kilograms. The Japanese consumer, who is familiar with Pacific salmon, prefers red meat. To achieve this colour, it was suggested that farmed salmon be fed shrimp.

Also, in terms of taste, it was suggested that producers should refrain from using feed that causes the peculiar smell associated with farmed salmon.

Quality control is essential. Provincial regulations govern the export quality of frozen wild salmon from B.C. Similar regulations need to be established for farmed salmon if it is to enjoy an equally high reputation in Japan.

Finally, the overall higher fat content of farmed salmon is of some concern for many Japanese consumers. It is believed that if farmed salmon were to swim more, the smaller concentration of abdomen fat would make the salmon less distinguishable from wild salmon in terms of appearance.