TABLE 12

Wholesale Prices for Matsutake by Place of Origin -- 1989

	South Korea	North Korea	China	Canada	U.S.	Other
¥/kg	11 950	6 477	6 273	4 686	5 602	8 150
Volume %*	36.8	25.5	16.4	8.4	3.5	0.8

	Hiroshima	Iwate	Yamaguchi	Kyoto	Japan-Others
¥/kg	26 722	28 737	29 093	38 639	24 663
Volume %*	2.9	1.3	0.9	0.5	2.8

* Volume of the Tokyo wholesale market.

Champignon Becoming Popular

The entire market for champignon is estimated at C$45 million, or 2 per cent of the total wholesale value for mushrooms. It is estimated that 20 per cent of the market is fresh/chilled champignon and the remainder processed champignon. Champignon demand has grown from 1 020 t in 1978 to over 18 000 t in 1988 and the percentage of fresh/chilled champignon has also steadily increased. Champignon is a small part of the total market so statistics are difficult to define, however, it is clear that China supplies about 80 per cent of imported processed champignon and that Canada supplies about 30 per cent of imported fresh/chilled champignon. Taiwan is also a major supplier of fresh champignon.

Champignon is perceived by most Japanese as a Western food and as such is popular in the booming Western-style family restaurants. This industry and the appreciation of the yen have increased champignon import growth over the past three years. On a volume basis, over 50 per cent growth has been realized since 1987.

In 1988, about 40 per cent of processed champignon in Japan came from domestic processors. However, about 75 per cent of the domestic product was imported (mostly from China) in brine bulk form and packaged in Japan.

About 49 per cent of domestic champignon is sold to processors on a contract basis at a very low price. Growers must choose between the security of contract sales and the higher risk, higher prices of the fresh market. Those in the industry realize the advantage of using cheap foreign champignon for processing and selling the domestic product in the fresh market. Co-operation in the industry will likely bring this about, although competition for fresh champignon will almost certainly increase as domestic growers compete more confidently.

The imported and domestic volumes for processed champignon shown in Table 13 reflect the market growth clearly, but do not indicate the large percentage of imported raw material used in the domestic product. The increasing size and price competitiveness of the Tokyo fresh wholesale market is reflected in the average yearly statistics shown in Table 14.

TABLE 13

Processed Champignon Volumes (tons)

Year	Imports	Domestic
1980	7 634	4 037
1981	7 485	3 684
1982	10 946	4 235
1983	10 759	4 336
1984	13 268	5 495
1985	13 746	5 985
1986	12 446	5 645
1987	11 297	5 659
1988	16 376	6 061

Source: Kinoko Nenkan 1990.