

Table 1

## Domestic Food Processing Machinery Production (¥ million)

Items	1984	1985	1986	1987	1988
Rice polishing machinery	12 583	13 476	14 461	15 632	18 352
Cereal processing machinery	4 238	4 488	4 793	5 244	6 042
Noodle making machinery	9 641	10 634	11 325	12 481	13 542
Baking machinery	25 627	27 190	28 903	31 359	34 683
Cake/confectionery machinery	26 839	29 362	31 828	35 711	41 818
Brewing and fermentation	12 566	13 483	14 184	15 404	16 991
Dairy products machinery	16 414	17 990	19 555	21 099	23 103
Beverage processing machinery	10 409	11 179	11 973	12 835	14 589
Meat processing machinery	13 465	13 246	14 161	15 832	17 288
Marine foods machinery	9 336	10 391	11 691	12 942	14 469
Other	102 569	112 559	120 639	129 849	142 372
TOTAL	243 687	263 998	283 513	308 388	343 249

Source: Ministry of Finance.

The rapid change in Japanese consumer food habits has made it difficult for domestic manufacturers to keep pace. This situation will probably change as consumers demand fresher products and as a result of the drive for local value-added into final products, and will be followed by increased demand for appropriate machinery. With deregulation of red meat set for 1992, it is expected that imports of meat processing equipment will also rise.

As the food and food service industries undergo change, food processing machinery manufacturers are finding it even more necessary to offer a wider and more diversified range of equipment for specific user needs. Increased demand for food processing equipment has been concentrated on equipment for non-Japanese food items — most notably mixers, cutters, fryers and ovens for use in restaurants and fast-food outlets. Specialized machines such as those used in processing chocolate are also enjoying substantial sales.

### Domestic Production

In 1988, the value of food processing machinery produced in Japan was ¥343.2 billion (see Table 1). Of this figure, baking, cake and confectionery machinery accounted for ¥76.5 billion (22 per cent), meat processing machinery for ¥17.3 billion (5 per cent) and marine foods machinery for ¥14.5 billion (4 per cent). The principal growth sectors for domestic production in 1988 were rice polishing machinery and cake and confectionery machinery (both up 17 per cent over 1987) and cereal processing machinery (up 15 per cent).

According to a survey by the Ministry of International Trade and Industry (MITI), there were approximately 1 727 food processing machinery manufacturers in Japan as of December 1987. Seventy-five per cent of the firms employed between three and nine workers. Only five companies reported more than 200 employees on their payroll.

### Imports

The total value of food processing machinery imports reached ¥11 432 million in 1988 (see Table 2). Baking and confectionery machinery accounted for ¥3 664 million (32 per cent), meat processing machinery for ¥2 985 million (26 per cent) and other food processing machinery for ¥1 412 million (12 per cent).