

## 10 Profiles of Selected Japanese Companies

### Meat Packers

#### **Nippon Meat Packers Inc.**

Formed in 1963 as the result of a merger between Tokushima Ham and Torise Ham, Nippon Meat Packers is one of Japan's three major meat processors. Recognized for its outstanding line of ham and sausages, the company is currently focussing marketing efforts on retortable meat products such as ready-to-serve hamburgers.

In October 1989, Nippon acquired MQF, Australia's largest ham manufacturer, and now owns three Australian firms, including a beef cattle ranch and meat processing business. It is also associated with the U.S. firm Swift & Co.

For the fiscal year ended March 31, 1989, Nippon reported sales of ¥475 000 million, an 11 per cent increase over 1988. Net profits were also up 6 per cent to ¥9 376 and facilities investment totalled ¥11 315 million.

As of September 1989, Nippon's market share included: ham and sausages 23 per cent; processed foods 15 per cent; and meat and other products 62 per cent.

Major shareholders include Mitsubishi Corp. (5.6 per cent), Mitsubishi Trust (5.2 per cent) and Chiyoda Life Insurance (4.9 per cent).

#### **Itoham Food Inc.**

Japan's top manufacturer of ham and sausages, Itoham also handles sales of raw meat. Its strength lies in department store and meat shop retail sales. A subsidiary was recently established jointly with Carnation, a subsidiary of Nestle. In addition, Itoham is expanding into dairy products in an attempt to become a comprehensive food supplier.

In preparation for the liberalization of Japan's meat market, Itoham has formed an association with a major meat packer to launch imported beef sales. The company also manages beef farms in Australia and New Zealand.

A change in Itoham's settlement term in 1989, from September 30 to March 31, resulted in an irregular business year. For the year ended March 31, 1989, sales totalled ¥203 045 million, while net profits stood at ¥4 132 million. Last year, facilities investment reached ¥6 880 million.

As of September 1989, Itoham's market share was estimated at: ham and sausages 30 per cent; processed meat 10 per cent; fresh meat 58 per cent; and dairy and other products 2 per cent.

Major shareholders include Kenichi Ito (5.6 per cent), Toei Shoji (5 per cent) and Ito Kinen Zaidan (4.4 per cent).

#### **Marudai Food Co. Ltd.**

A ham and sausage maker founded as a fish processor, Marudai Food Co. is expanding its line of processed meat products, including hamburgers. Since the company's strength lies in medium-quality products for which sales are stagnant, it is shifting its efforts towards establishing a line of higher quality products.

Marudai Food recently opened a steak and hamburger restaurant in Kobe and started a fresh-meat import project with U.S. partner BSI. The company has also set up a representative office in San Francisco.

A change in the company's settlement year in 1989, from September 30 to March 31, resulted in an irregular business year. For the year ended March 31, 1989, sales totalled ¥90 107 million, while net profits stood at ¥2 402 million. In the same year, facilities investment was ¥3 753 million.

As of September 1989, the company held an 80 per cent share of the processed meat market and 20 per cent share of the fresh meat market.

Major shareholders include Sumitomo Life Insurance (5.8 per cent), Sumitomo Trust (5.2 per cent) and Dai-ichi Life Insurance (4.5 per cent).

#### **Prima Meat Packers Ltd.**

Japan's third largest processed meat packer, Prima, recently cancelled its affiliation with Oscar Meyer, America's leading meat processor and strengthened its ties with C. Itoh & Co. Founded as a ham and sausage maker, Prima is now a leader in vacuum-packed food products. It is diversifying into retortable foods and gourmet products and is considering a production base in Australia.