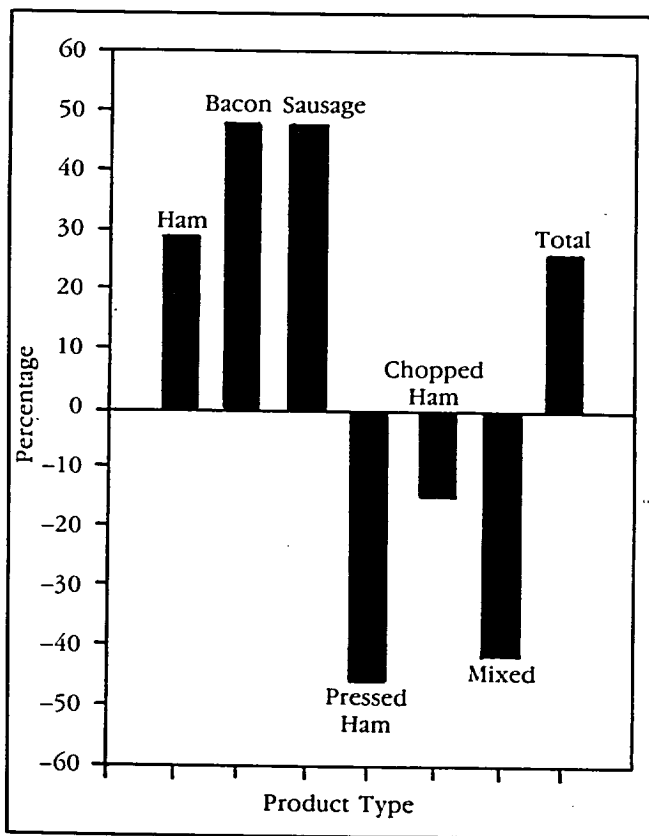


Figure 4

Percentage Change in Processed Meat Production Volume (1987-82)

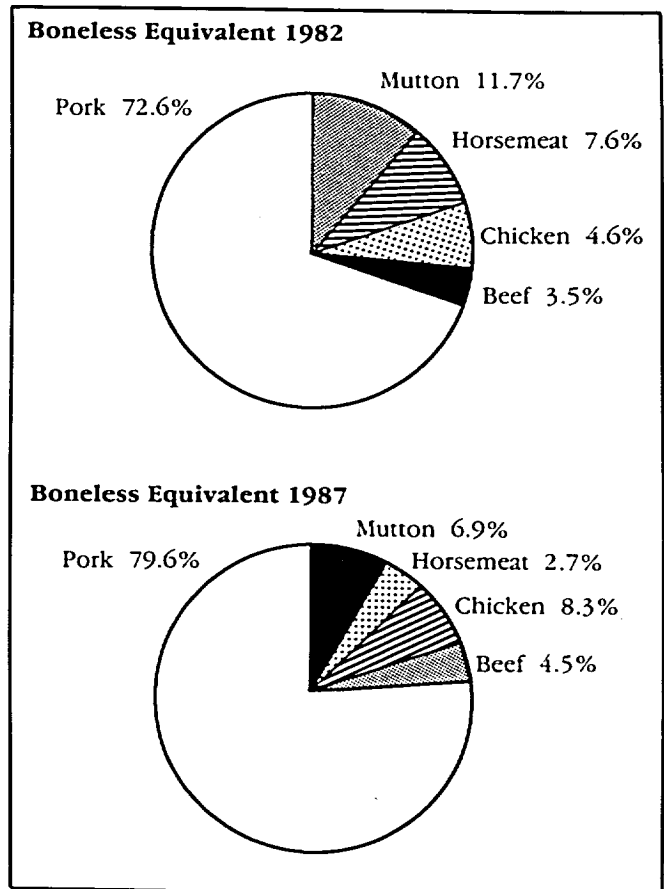


Source: Japan Meat Processors' Co-operative Association.

The growing affluence of consumers has resulted in ever-increasing demands for improved products. This is reported to be the case in Roshu ham production where most of the major processors are now concentrating their efforts to produce an upgraded version of this popular product. Indeed this upgrading of production also includes a change in the classification of the product to signify its superior production. "Handmade" style or variations of this name are now commonplace and had included a special label that processors affixed to their product after agreeing to adhere to voluntary conditions of production. However, the "handmade" label was voluntarily withdrawn after consumer complaints that such a label was misleading because the product was not truly "handmade." Some manufacturers are also producing an upgraded "homemade" style sausage and wiener.

Figure 5

Meats for Ham and Sausage Processing



Source: Ministry of Agriculture, Forestry and Fisheries.

It is expected that the future will see continued growth in the production of processed meats although the growth will not be as marked as in recent years.

While pure pork sausage products enjoy great popularity with the consumers, most processors anticipate this demand to level off in anticipation of a cheaper and more plentiful supply of beef when quotas are phased out by 1991. Some processed meat manufacturers are now introducing a pork and beef wiener. Currently this product is being sold at a loss — an investment in the future by the manufacturers.