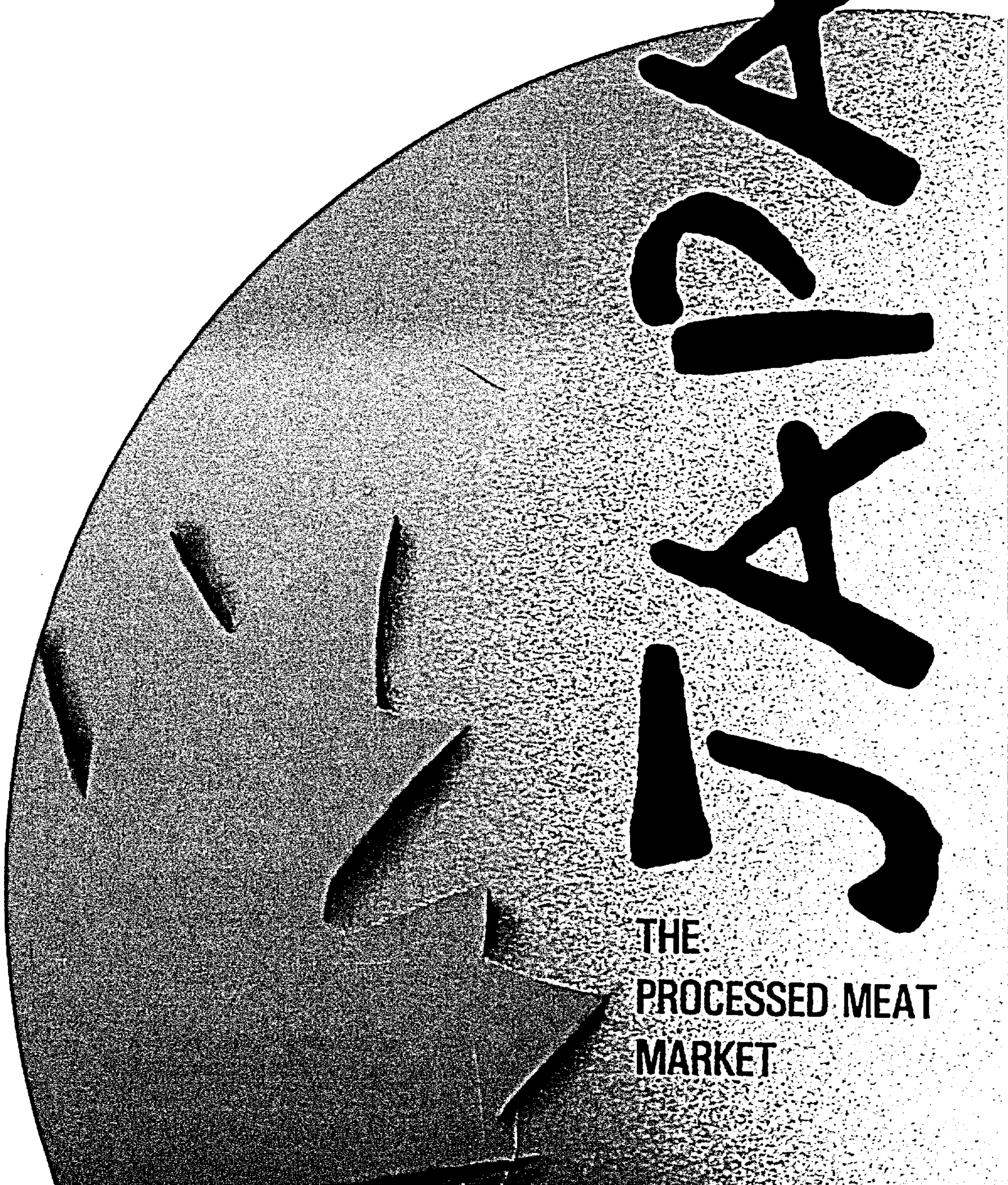
EXPORT OPPORTUNITIES IN JAPAN



THE PROCESSED MEAT MARKET

THE PROCESSED MEAT MARKET

prepared for

The Japan Trade Development Division
Department of External Affairs

by Cal J. Ryan & Associates Inc.

JAPAN

Preface

Canadian exporters are discovering a new Japan. Firms which have focussed their efforts on specific target market segments have seen their results soar. Their success bears witness to important changes which have recently occurred in the Japanese market.

Since the mid 1980s, the substantial appreciation of the yen, Japan's concerted policy of domestic demand stimulation and a shift towards a more open import regime have significantly enhanced the competitiveness of Canadian goods in the Japanese market. Specific opportunities have emerged in areas previously closed to foreign suppliers.

This "Export Opportunities in Japan" series is published by the Department of External Affairs to assist Canadian exporters in seizing these exciting new opportunities. It pinpoints specific market segments where new Japanese import demand meets proven Canadian capability. It includes market segment profiles, details specific market technical characteristics, documents success stories and provides market bibliographies and key contact lists.

The series is designed not only as a reference and guide but also as the basis for future joint marketing action by Canadian firms, their trade associations and Canadian government departments. The series has been produced in consultation with the Japanese Export Trade Organization (JETRO) and has the support of the Japanese Ministry of International Trade and Industry (MITI).

The present study is an in-depth survey of the Japanese processed meat sector. It provides an overview of the growing market in Japan including changing diet and tastes, processed meat production, prices, distribution and import and other legal requirements. The study was initiated and supported by the Japan Trade Development Division of the Department of External Affairs but does not necessarily reflect the views of the Department.

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The Canadian Embassy in Japan has made important contributions to this series of market studies. Additional assistance and information is available from the Embassy in Tokyo:

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Executive Summary

- The Japanese processed meat market is an expanding and highly competitive one.
- Processed meat production has grown by 25 per cent in the five-year period from 1982 to 1987, with continued growth anticipated but at a more moderate level.
- All of the growth has taken place in the higher quality product lines.
- Production of the lower quality products such as pressed ham, chopped ham and mixed products has declined by 15 per cent since 1982 with no immediate prospects for recovery.
- Pork as a raw material accounts for 80 per cent of meat usage in processed meat manufacturing.
- There are over 200 members in the Japan Ham and Sausage Processors Co-operative Association and an additional 100 operations of smaller scale outside this organization.
- Five major processors account for over 57 per cent of the total processed meat production and the top 25 processors account for 81 per cent of total production.
- Distribution of finished products to retail, wholesale and H.R.I. units is carried out mainly by company trucks with driver/salespersons taking orders, delivering product and making collections.
- Wiener/sausage production accounts for 51 per cent of total processed meat production and is expected to increase.
- Production techniques are very similar to those employed in Canada but with greater emphasis on product safety.
- Japanese health and sanitation laws while strict, especially where food additives are concerned, are not restrictive to Canadian processors.
- Imports of processed meats have increased in the last few years but still account for less than 1 per cent of the total Japanese processed meat market.
- Japanese consumers are extremely demanding and processors are sensitive to their ever-increasing demands for quality, appearance, product safety and freshness.
- The consumer emphasis on product freshness poses a major problem for imported products at the retail level.
- The increased value of the yen, the scheduled reduction in some customs duty and anticipated changes in distribution channels when beef quotas are eliminated in 1991 has triggered increased interest in imported processed meat products.
- Japanese trading companies, supermarkets and processors have varied opinions on the potential for increased imports of processed meats and all parties are studying the situation carefully with a view to working within the regulations to best advantage.
- Offshore production of semi-finished products, private label production, licensing agreements, joint ventures and the outright purchase of foreign operations are some of the possibilities being considered by Japanese importers.
- There is a market for specialized or unique processed meats.
- The H.R.I. trade and some of the larger supermarkets would appear to offer the most promising markets for Canadian processed meat products.

1 Background

In 1988, the Japanese government introduced a series of trade liberalization measures designed to open their market to foreign competition. Among the items of interest to Canada is the prospect of easier access to the Japanese market for value-added or processed meat products.

Canada has been a supplier of fresh frozen pork to Japan for more than 20 years. During this time Canadian pork has come to be recognized as an essential basic raw ingredient in high-quality Japanese processed pork products. However, Canadian manufactured products have found only a very limited niche in the marketplace.

The failure to establish Canadian value-added meat products in the Japanese market can be attributed to a combination of factors including high tariffs, strict health and welfare product regulations, a complex distribution system and the lack of desire on the part of Canadian processors to become involved in the timely and costly procedures necessary to meet the demands of both the Japanese importers and the Japanese marketplace.

In addition, many of the Japanese trading companies, who have been the main importers of Canadian fresh frozen pork, have been careful not to be seen as competing with the end users who buy their supplies from the trading companies. The major end users are also processors in their own right and would likely be concerned about a trading company that sold competitive products.

Regulations governing sanitation and food additives have posed a concern to Canadian processors who fear they may be unable to conform to the stiff requirements of the Japanese Ministry of Health and Welfare. To have a shipment refused entry can prove costly. In addition, there has been reluctance on the part of Canadian processors to conform to the Japanese requirement to disclose manufacturing processes on the grounds that they would be divulging classified information regarding their formulations and processing procedures with no guarantee of confidentiality.

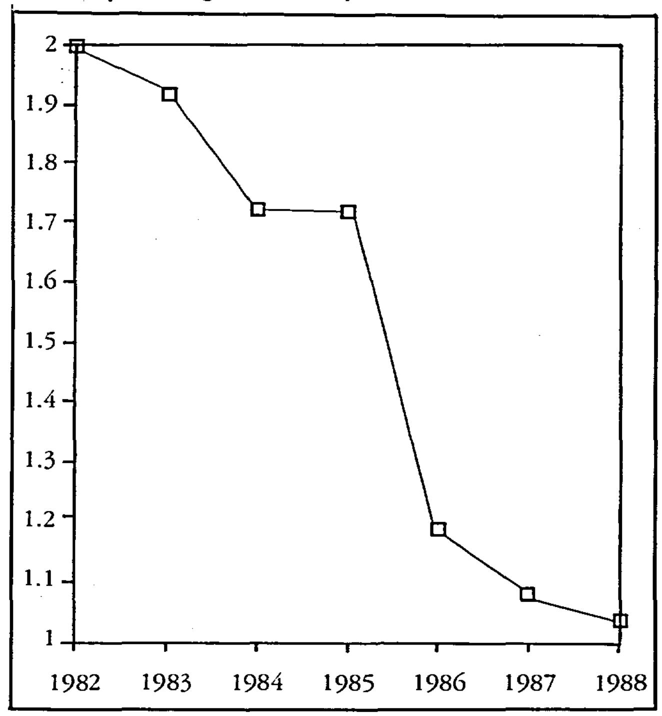
But the main reason appears to be that Canadian processors felt the rewards did not justify the efforts required. Thus this potential market for value-added product has been largely ignored.

Circumstances have changed however, and further changes are forthcoming:

- The strength in the value of the Japanese yen has caused Japanese costs to increase relative to imported products resulting in increased interest in offshore production (see Figure 1).

Figure 1

Monetary Exchange Rates (C$ per 100 ¥)



Source: International Exchange Rate Series, *Bank of Canada.*

- Rates of duty on some imported processed products are scheduled to drop.
- The growing affluence of consumers has led to diversification in the Japanese diet and an increase in meals eaten outside the home.

These changes have and will continue to provide improved prospects for increased imports of processed meats into Japan.

2. The Japanese Market

General

The following facts provide a greater appreciation of what tends to shape the preferences of consumers in Japan:

- Food expenditures in Japan have kept pace with the rise in inflation.
- The largest single category of expenditures of disposable income is food, at approximately 20 per cent. A substantial share of food expenditures is toward vegetables, meat and Western-style food.
- As the Japanese diet has diversified it has become more Westernized. The Japanese are eating less rice and more bread and meat. As well, the average consumer spends less time in the home than in the past and therefore eats meals outside the home more often.
- Statistics show food expenditures are higher in the cities due to increased distribution costs, the consumption of high-quality foods and more eating outside the home.
- With the growth in the Japanese economy consumers can afford to be selective and are choosing products that meet their strict quality standards.
- Housing standards are lower than most Western industrial countries and it is partly because of this that the Japanese spend less time at home than Canadians.
- Bonuses are paid semi-annually and it is during these bonus seasons, which coincide with the gift-giving season of July and December, that purchases of high-quality food peaks.
- The Japanese population is aging, which has resulted in more health-related diets.
- Finally, an ever-growing number of Japanese travel outside the country for business and pleasure and their exposure to new foods has added to the increased interest in foreign foods and the diversification in the national diet.

Diet

The traditional Japanese diet of rice, fish, vegetables and tofu with meat and milk added for enrichment has been considered a nearly ideal nutritional balance (JETRO, Agriculture Dept., AG19). However, Japanese preferences are changing.

The improvement in living standards and the increase in leisure time have been the driving forces behind changes in the dietary pattern of Japanese consumers. Eating habits have broadened through eating out in restaurants and through increased use of food products that are simple to prepare.

Processed meats have benefited from these changes and have indeed added to the variety of Japanese food intake. Processed meat manufacturers have been alert to the shift in demand for variety and convenience and have aggressively introduced new products catering to this trend.

Trends

A report prepared by the JETRO Agriculture Department (AG20), on the food market in Japan identified four trends that have accompanied the diversification of consumer preferences.

- A trend toward smaller packaged foods in answer to smaller family size, an increase in the number of people living alone and the wish of the consumer to buy small amounts that can be eaten while still fresh.
- A trend toward convenience foods reflecting the demand for foods that are easier to prepare and consume, particularly with the growth in popularity of microwave ovens.
- A trend toward more flavourful foods resulting from the increase in restaurant eating where new and varied flavours are experienced. This trend has brought about not only a broadening in the traditional diet but also a demand for better textured products and a shift to fresh versus frozen or dried foods.
- A trend toward health foods as consumers become more selective and a maturing population shifts its interest to low sugar, low calorie, low salt, low cholesterol and no-additive natural foods.

The Japanese Consumer

Japanese consumers are among the most demanding in the world in terms of product quality. Consumer demands have acted to encourage manufacturers to upgrade their products in the processed sector as evidenced by the emphasis being placed by the major processors on "home-made" products, such as roast ham and an extension of this concept into sausage and wiener products as well.

Product appearance is highly valued by consumers and therefore packages must be of high quality. Food products must not only be fresh but look fresh and food packages must not impart a smell or taste to the food.

Packaging is of the utmost importance in presenting products for sale in Japan. The Japanese consider the appearance of the package as an indication of the care and the quality that has gone into the product. If the initial presentation is poor, to the Japanese, it will suggest that it is a poor product.

Traditional colours of red, orange and yellow for food packaging containers are well established. However, black and gold are gaining in popularity.

Consumers tend to shop almost daily to obtain fresh foods. They also tend to buy smaller quantities to fit into their limited storage space in the home as well as to cater to their wish for variety in their daily diet. This characteristic demands that package sizes must be smaller than the average size offered to consumers in the Canadian domestic market.

It is, however, important to acknowledge that price is still an important factor when the consumer is making the choice between like products.

Daily shopping leaves the Japanese with a consciousness of prices and price changes that may not hold true to the same degree for Canadian consumers.

Generally, Japanese consumers of processed foods prefer mild flavours. Salt intake has dropped steadily in Japan as people have become concerned with salt-related health problems. Growing concern with health has also created an increase in demand for low calorie and health foods.

Finally, it is necessary to recognize there are taste differences and preferences between localities, and major manufacturers of processed meats regularly find their products must be seasoned in a number of ways to succeed in different locations.

3 Legal Requirements for Food and Additives

Specifications of Meat Products Composition

- Meat products shall be coliform group negative.
- Meat products shall not contain more than 0.07 g nitrites per 1 kg.
- Dried meat products shall have a water activity not more than 0.86.
- Non-heated products shall have a water activity not more than 0.94.

Standards of Manufacture

General standards are:

- Meat ingredients used must be fresh and low in bacterial count.
- Frozen meats must be defrosted in a sanitary location and any water used must be potable running water.
- Meat must be kept in sanitary and readily cleanable, impermeable containers made of metal, plastic, etc.
- Any sugar, starch and seasoning used for manufacture must have not more than 1 000 heat resistant bacteria (spore-forming count) in total per 1 g.
- Clean, readily cleanable and sterilizable machinery and equipment must be used.

Individual standards for non-heated products are:

- Pork used for processing must be cooled to 4°C within 24 hours of slaughter and held at not more than 4°C. It must not have a pH of more than 6.0.
- Defrosting of frozen meat ingredients must be done so that the meat temperature does not exceed 10°C.
- During meat trimming the temperature of the meat must not exceed 10°C.
- Curing of meat shall be performed by the dry, immersion or injection methods. If injection is used, it must be done manually using the "one needle injection method." The temperature of the meat must not exceed 5°C so that the water activity is not more than 0.96.

If the dry curing method is used, not less than 6 per cent sodium chloride and 200 PPM of the weight of the meat must be used.

With either the immersion or injection method, the pickle shall contain not less than 15 per cent sodium chloride and not less than 200 PPM sodium nitrite. With the immersion method all pieces of meat must be sufficiently immersed.

- Desalting cured meats must be performed by continually changing potable water of not more than 5°C.

- Smoking and drying cured meats must be performed at meat temperatures not more than 20°C and not less than 50°C so that the water activity is not more than 0.94.

When smoking and drying at a minimum of 50°C, the time when the meat is between 20°C and 50°C must be as short as possible.

For other than non-heated products, individual standards are:

- Products shall be sterilized by heating at a core temperature of 63°C for 30 minutes or by a method having an equal or better effect.

- Cooked product must be chilled in a sanitary location and if water is used it must be running potable water or by continually changed water containing not less than 1.0 PPM free residual chlorine.

Standards of Storage

Meat products must be stored as follows:

- Fresh — not more than 10°C.

- Frozen — not more than -15°C.

- Packaged and sterilized by heating at a core temperature of 120°C for four minutes, or a method having equal or better effect — no regulation.

- Dried — no regulation.

Products must be transported sealed inside clean sanitary containers; packed in casings; or wrapped with clean, sanitary plastic film, plastic-processed paper, sulphuric acid paper, or paraffin paper.

Food Additives

The Japanese Standards of Food Additives describes the standards and specifications of all food additives permitted for use in Japan. The form of the book is similar to the pharmacopoeia.

Its contents consist of general notices, monographs, restrictions on the use of food additives and general tests. Colouring matters tests and flavouring agents tests are also included as general tests.

Approximately 347 food additives are listed. Food additives not listed are prohibited. The law also specifies the maximum amount of certain additives that are allowed.

If an additive is not approved, an application may be made for approval but this is a timely procedure and detailed steps must be followed in making the application.

The general principle for the approval of an additive is:

- it must not be harmful to the consumer; or
- it must in some way be advantageous to the consumer, i.e.:
  - it is indispensable for manufacturing and processing food;
  - it helps maintain the nutritional value of foods,
  - it improves the appearance of foods, or
  - it is profitable to the consumer.

Under no circumstances will an additive be registered if:

- it is designed to disguise poor manufacturing or processing methods;
- it helps deceive the consumer;
- it impairs the nutritional value of foods;
- it is used to treat disease or attain other therapeutic effect; or
- it is unnecessary.

Food additives must be useful or superior to the previously registered similar food additives.

Food additives must as a rule be chemically identifiable when the food is in its final form and is subjected to a chemical analysis.

All processed meat products must be approved by the Ministry of Health and Welfare and must comply with the following regulations of the Japanese food sanitation law governing food additives:

- sodium nitrite or sodium nitrate must not exceed 70 PPM as residual no. 2 when used separately or in combination;
- scorbate acid or potassium scorbate must not exceed 2 000 PPM; and
- certain food colourings are prohibited.

The use of eruthorbic acid and sodium erythrobate is permitted.

It should be possible for Canadian processors to comply with these regulations although some minor modifications may be necessary in the processing.

To avoid costly rejections at the port of entry it is most important that exporters of processed meats familiarize themselves with the regulations regarding food additives before shipment.

Labelling

All prepackaged products offered for sale in Japan must bear a Japanese language product label somewhere on the package. While these labels may be affixed in Canada in most cases the labels are prepared by the importers and verified by the Japan Meat Processors Co-operative Association. The labels must contain the following information:

- name of product;
- ingredient listing;
- net weight;
- date of manufacture (or date of importation in the case of imported product);
- minimum shelf life (in days);
- storage instructions;
- name and address of importer; and
- country of origin.

In the ingredient listings food additives may be shown as, antioxidant, curing agent, synthetic preservatives, colour enhancer, etc. However, the law covering food additives was revised in July 1988 to make it mandatory to list all additives separately. This revision will become effective January 1, 1991.

All enquiries regarding Japan's food sanitation law should be made through the Canadian Embassy in Tokyo.

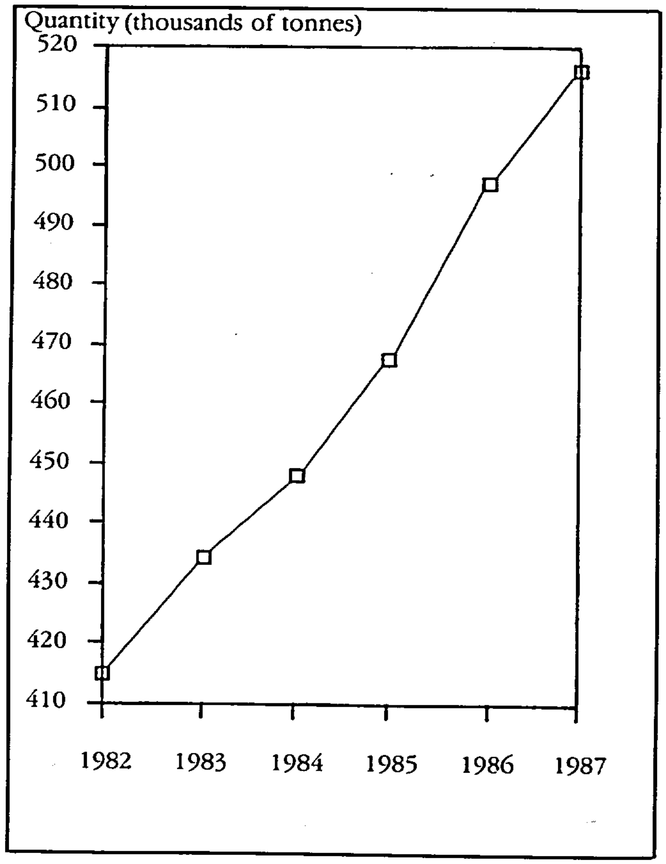
4 Processed Meat Production

Processed meat production in Japan reached a record output of 516 thousand tonnes in 1987, an increase of 25 per cent over five years (see Figure 2). Statistics for the January/September period of 1988 indicate a continuation of this growth pattern but at a reduced rate of 3.1 per cent over 1987 (see Table 1).

In 1987, three major product categories — ham, bacon and sausage — accounted for 86 per cent of the total production versus 76 per cent in 1982. Figure 3 shows how each of the three categories contributed to the five-year growth in varying degrees.

Figure 2

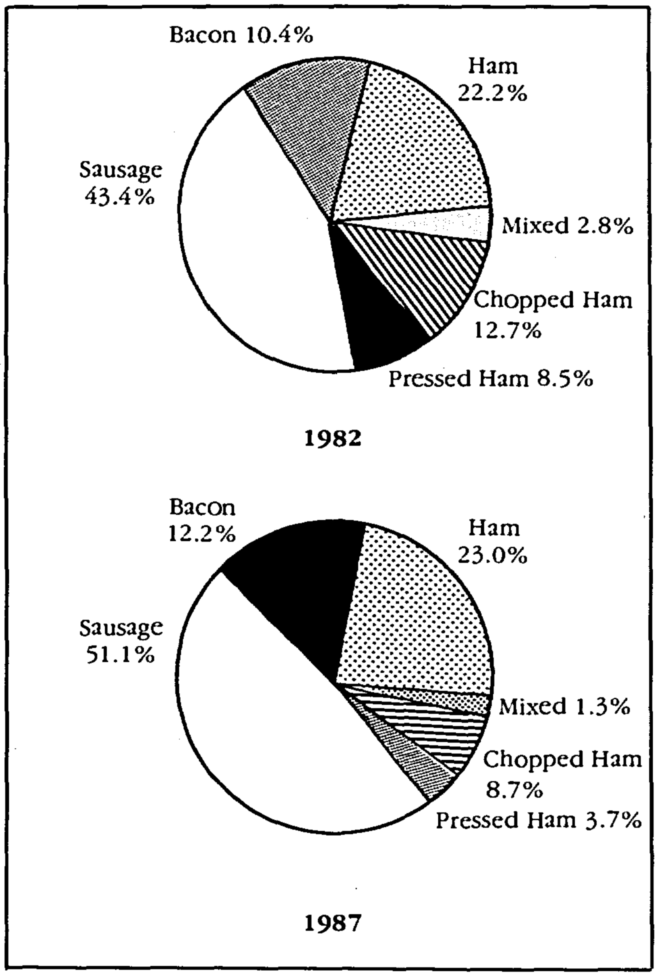
Total Processed Meat Production — Japan (1982-87)



Source: Japan Meat Processors' Co-operative Association.

Figure 3

Processed Meat Production in Japan by Type



Source: Japan Meat Processors' Co-operative Association.

And as charted in Figure 4, from 1982 to 1987, ham production expanded by 29.2 per cent, bacon by 47.3 per cent, and sausage by 47.4 per cent.

Table 1 indicates that pressed ham and chopped ham experienced a combined decline of 27.1 per cent and mixed products decreased by 40.5 per cent during the same period.

In the ham section, Roshu (loin) ham led the way with an increase of 38.7 per cent and accounted for just under 70 per cent of total ham production compared to 64 per cent in 1982.

Bacon production from bellies as opposed to loin and shoulder was the dominating item accounting for 80 per cent of total bacon production in 1987.

In the sausage section, Vienna sausage (wiener) production increased by 77.3 per cent from 1982 to 1987 and made up 63.5 per cent of total sausage production in 1987 compared to 52.7 per cent five years earlier. Frank sausage production showed an increase of 17.4 per cent over the same period while bologna and other sausage increased by 3.8 per cent.

Table 1

Processed Meat Production by Type – Japan (thousands of tonnes)

Processed Meat type	1982	1983	1984	1985	1986	1987	1988*	%** Increase
Roshu (loin) ham	58.9	58.8	64.1	70.2	74.3	81.7	53.2	
Boneless Ham	23.8	26.5	25.9	24.3	23.5	23.7	14.1	
Other	9.1	9.7	10.0	10.7	12.0	13.2	8.9	
Ham – Total	91.8	95.0	100.0	105.2	109.8	118.6	76.2	4.3
Bacon – Total	42.9	45.5	50.6	54.3	57.6	63.1	49.8	10.0
Vienna Sausage	94.5	106.1	112.6	126.7	155.6	167.6	131.6	
Frank Sausage	34.5	37.8	39.6	42.3	47.0	44.5	31.7	
Bologna Sausage	18.0	18.3	18.5	18.6	19.0	19.7	12.9	
Other	32.0	34.1	34.1	33.8	31.7	32.1	27.1	
Sausage – Total	179.0	196.3	204.8	221.4	253.3	263.9	203.3	4.6
Pressed Ham	35.2	32.0	28.3	25.0	21.1	19.2	11.8	–14.8
Chopped Ham	52.4	54.4	53.8	51.1	48.5	44.7	34.0	5.4
Mixed Products	11.6	10.5	10.0	9.1	7.3	6.9	4.3	–20.0
TOTAL	412.9	433.7	447.5	466.1	497.6	516.4	379.4	3.1

Source: Japan Meat Processors' Co-operative Association.
* *January – September 1988*
** *% Increase Dec. vs Jan./Sept. 1988*

The January/September 1988 figures in Table 1 show a continuation of the five-year pattern with increased production in ham, bacon and sausage and additional declines in the lower valued products.

The Japanese per capita consumption of processed meats is given below in kilograms:

	Ham	Bacon	Sausage	Total
1982	.77	.36	1.51	3.48
1983	.79	.38	1.64	3.62
1984	.83	.42	1.70	3.72
1985	.87	.44	1.83	3.85
1986	.90	.47	2.08	4.09
1987	.97	.52	2.16	4.22

It would appear that a number of factors contributed to the rise in consumption of processed meats from 3.48 kg per capita in 1982 to 4.22 kg in 1987, not the least of which is the growing affluence of Japanese consumers and the same consumers' desire to add more variety to their everyday diet. The consumer, especially the young consumer, has displayed an interest in Western-style convenience foods, which is changing the dietary pattern of the Japanese.

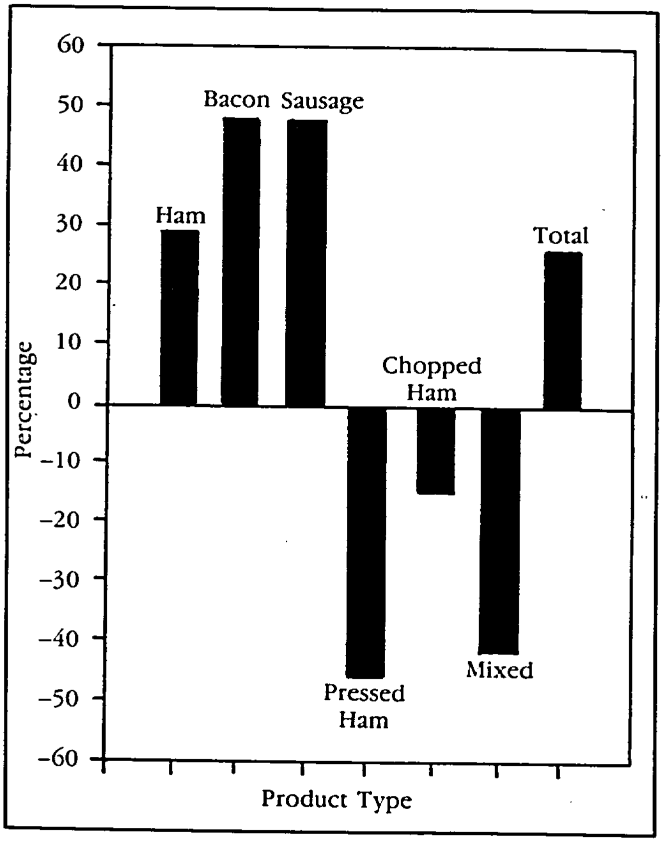
Of particular interest in the broadening of the traditional food intake is the case of Vienna sausage. The production of this item has grown sharply in five years. The product has received remarkable acceptance as a convenience food and is especially popular as a lunch box item, as snacks and with drinks.

Prior to the downturn in pork prices, wiener sausage products were produced from a combination of mutton, pork, horsemeat, chicken and in some cases fish. As pork became more competitive in price, processors increased pork usage in their formulae at the expense of the other major raw material; indeed, in the majority of cases pork became the only meat material ingredient (see Figure 5). The industry was fortunate in being able to offer consumers improved quality without having to noticeably raise prices. Consumption has shown steady growth since then indicating consumers favourable response to the new formulation.

Aggressive sales promotion activities and new product introductions have also added to the growth in wiener consumption.

Figure 4

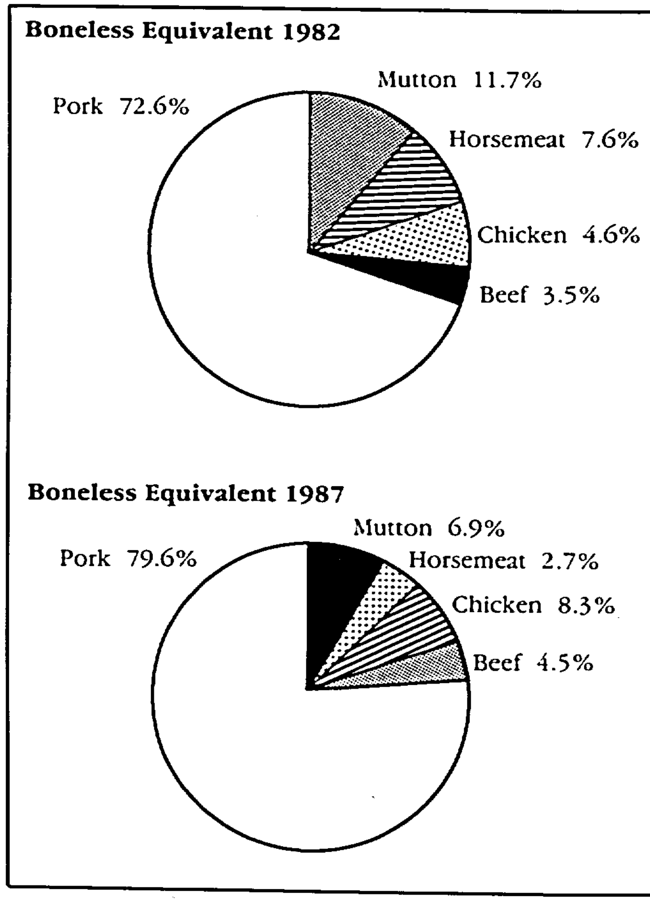
Percentage Change in Processed Meat Production Volume (1987-82)



Source: Japan Meat Processors' Co-operative Association.

Figure 5

Meats for Ham and Sausage Processing



Source: Ministry of Agriculture, Forestry and Fisheries.

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.

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.

5 Prices of Processed Meats in Tokyo

Wholesale and retail prices of the three major processed meat categories, as reported by the Japan Meat Processors Co-operative Association, were as follows (in yen per kg)

	Loin Ham		Wiener/ Sausage		Bacon	
	Whole-sale	Retail	Whole-sale	Retail	Whole-sale	Retail
1982	2 049	3 270	1 102	1 900	1 549	2 400
1983	2 114	3 350	1 139	2 010	1 607	2 529
1984	2 111	3 520	1 141	2 080	1 591	2 560
1985	2 093	3 570	1 143	2 270	1 551	2 630
1986	2 084	3 550	1 140	2 130	1 522	2 560
1987	2 042	3 290	1 091	2 130	1 410	2 440
1988*	1 956	3 262	1 189	2 118	1 321	2 385

* January-June

There has been a noticeable softening in ham and bacon prices from 1986 onward reflecting lower pork raw material costs. However, the price declines have been less than the drop in domestic pork prices. The upward movement in the wholesale wiener sausage price is attributed to the introduction of upgrading in sausage formulation and the introduction of new products.

6 Processors

Market Share

There are 208 processed meat manufacturers in the Japan Ham and Sausage Processors Co-operative Association operating approximately 270 plants. In addition, 100 smaller processors operate outside this organization.

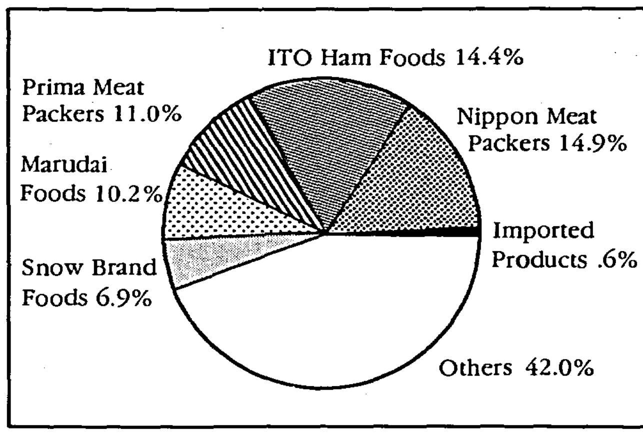
During 1987, the 25 largest processors accounted for 81 per cent of the total processed meat production in Japan (see Table 2).

But the industry is dominated by five major manufacturers who accounted for 57.4 per cent of the total in the same year (see Figure 6). These companies are:

Manufacturer	No. Plants	No. Employees	Annual Sales C$
Nippon Meat Packers	8	3 200	3.6 billion
ITO Ham Foods	16	4 000	3.0 billion
Prima Meat Packers	8	N.A.	2.1 billion
Marudai Foods	13	3 500	1.7 billion
Snow Brand Foods	4	2 000	1.0 billion

Figure 6

Estimated Market Share of Five Major Japanese Processors



Source: Japan A.A. Meat Traders Assoc.
Japan Ham and Sausage Processors Co-op Assoc.
Japan Meat Processors Assoc.

The relative importance of these five major processors is even more pronounced than their manufacturing share indicates because they also handle fresh meats and processed foods. One packer estimates that 61 per cent of total sales are fresh meats, 14 per cent are processed foods and 25 per cent are processed meats.

Sales Promotion

The processed meat market in Japan is highly competitive with major manufacturers supporting their products with strong media advertising and sales promotion activities.

Most of the advertising expenditures, estimated to be in excess of C$44.5 million in 1987, are directed toward television viewers.

A smaller share of promotion budgets is spent for newspaper and magazine advertisements, fliers and sales promotion activities.

Sales promotion activities involve in-store demonstrations, product feature discounts of 15 to 20 per cent, corporate contributions for feature weeks and product contests with prizes of overseas trips and merchandise for participating consumers.

One major manufacturer ensures its name is before the public for a good part of the year through association with its professional baseball team and the attendant activities.

Sausage product, because of its large share of the processed meat market, receives maximum attention in the advertising budgets with new product introduction being promoted generously.

Individual processors also use solo food shows in larger cities to promote their products and introduce new lines. Major buyers are invited to these exhibitions where video presentations outlining new production concepts and promotional activities for the coming year are outlined in detail and taste-testing is employed extensively.

During a recent show one processor offered a total system of shop design, cooking utensils and equipment, menu planning, packaging material and promotion ideas for restaurants, butcher shops and wholesalers. Another introduced ideas for improved sales at store level through increasing communications at store level with consumers, production techniques for "hand made" products and the planned opening of eat-in-shops at selected locations in the coming year. Another offered new display ideas for new products.

In addition to these solo shows, special promotional campaigns featuring new products are carried on throughout the year and usually involve media advertising, some form of couponing featuring premiums for customers, in-store demonstrations and features. New product development and promotion receives very high priority in Japan.

All major processors also participate at Japan's major food shows, including "Foodex," where product sampling and new product introductions take place. Competition for market share is an ongoing preoccupation and expense among the processors.

Table 2

Production Share of Processed Meats For Major Japanese Processors (thousands of tonnes)

	1-5		1-10		1-15		1-20		1-25	
Year	Quantity	%	Quantity	%	Quantity	%	Quantity	%	Quantity	%
1982	234.4	56.8	280.0	67.8	305.4	74.0	321.9	77.9	335.1	81.1
1983	247.4	57.0	294.2	67.8	321.2	74.9	338.8	78.1	352.4	81.2
1984	254.8	56.9	304.8	67.9	331.5	74.1	349.1	78.0	363.3	81.2
1985	266.1	57.1	317.1	68.0	346.4	74.3	365.2	78.4	379.6	81.4
1986	286.9	57.7	339.7	68.3	369.7	74.3	389.5	78.3	405.4	81.5
1987	296.3	57.4	349.4	67.7	381.1	73.8	401.9	77.8	418.3	81.0

Source: Japan Processed Meat Association.

7 Manufacturing

Practices

Production techniques are very similar to those employed in Canada. Equipment is mainly of European origin with some modifications to suit Japanese requirements. There is a trend by the major processors to enlarge and modernize production and automate facilities where possible. This latter objective provides not only improved efficiency but reduces product contamination through a reduction in the manual contact with raw materials and finished product. Where possible fresh as opposed to frozen product is preferred.

Product safety and quality receive special attention. This is evidenced by the use of additional metal detectors and visual screening of products for foreign materials. It is also evidenced in the enclosed packaging areas which are "off-bounds" to all but authorized or gainfully employed personnel. Entrance to these "bacteria-free" areas is permitted only to those specially clothed and screened through air chambers and foot baths. Educational programs for employees are held regularly. Such extra precautions keep product safety ever present in the minds of all involved in the production process.

In an effort to reduce the incidence of claims or returns, there appears to be extra scrutiny of finished product before final packing takes place. An example of this is the final check for misaligned labels which could be rejected at retail level.

Product Characteristics

The salt content of Japanese products is generally lower than in Canadian products, especially sausage. The U.S. Meat Export Research Centre at Iowa State University conducted tests in an effort to duplicate the flavour of Japanese sausage and found that a salt content of 1.75 per cent and a sugar content of 1.25 per cent was needed. These same tests determined that ham products in Japan contained close to 2.5 per cent salt, but this level of salt was masked with sugar, giving the product a sweeter and less salty flavour than its U.S. equivalent.

There is a noticeable shift away from finely ground sausage to the coarser-ground product associated with German-style products. In the minds of Japanese consumers, sausage products equate with European production. Domestic processors have fostered this belief not only in their formulations but also in their selection of product names which have been carefully chosen to capitalize on this widespread perception. This marketing strategy has been successful as evidenced by the substantial growth of sausage production in Japan.

Belly bacon continues to grow in popularity at the expense of shoulder and other bacon. The major difference compared to Canadian side bacon is the fact that it is produced from single ribbed bellies and therefore is leaner than its Canadian counterpart and appears to carry a heavier smoke.

In the lower quality product the fuse of binders or extenders is more liberal but is controlled by the Japan Agricultural Standards law according to product grade.

8 Distribution System

Most major Japanese processed meat manufacturers have their own sales forces and distribution systems to maximize sales coverage and ensure fresh product.

Product is dispatched from the producing plants to a series of sales or distribution centres by a fleet of company trucks. Driver/salespersons operating from these sales centres make deliveries to retail and H.R.I. units, take orders and make collections. Large retail outlets or customers operating their own distribution centres receive delivery directly from the manufacturing plants. Outside wholesalers with satisfactory chill facilities are employed (or purchase and sell) to distribute to more remote area retail shops or to smaller H.R.I. units.

In some instances, the larger processors either own retail outlets for the exclusive sale of company brand products or lease special display counters in department store food floors. Generally, these latter outlets are maintained for publicity purposes or to introduce new product lines and to liaise with the public.

The pressure to maximize product freshness continues to grow at the urging of consumers and the larger retailers. In an increasing number of instances, orders are accepted up to 4:00 p.m. the day prior to delivery. Such orders are processed and packaged during the night with delivery the same day. This is commonly referred to as day zero freshness.

The distribution system is under continual review in an effort to shorten the time span from production to retail outlet.

Currently "best before" dates, or expiration dates, vary from product to product and from manufacturer to manufacturer but generally average about 15 days on fresh, refrigerated product such as wieners. The trend is toward shorter expiry dates from date of manufacture.

The policy on returns is that product accepted at retail level upon delivery becomes the responsibility of the retailer. However, with the very competitive atmosphere existing in the marketplace, processors are more flexible in applying the policy on returns and make exceptions in certain instances to protect their position and maintain harmonious relationships with retailers. In many instances, there are no packing facilities at store level and therefore no rewrapping of product. Product under question is removed from the store for a full credit.

The ever-growing emphasis on freshness poses a particular problem for imported product and dictates that a potential Canadian exporter search out a distribution channel that will minimize the time involved in getting the product to customers once it has cleared import procedures.

Currently, some imported product is being sold directly to processors for sale as imported product or repacked under the processor's own label.

Again, some imported product is being sold directly to major supermarkets in bulk form. The product is packed for the retail counter by the supermarket.

In still other cases, imported processed meats are sold through trading companies to wholesalers for distribution to retail stores and the H.R.I. trade.

Few, if any, exporters have attempted to set up their own distribution network because of cost and the lack of expertise in a highly competitive Japanese market.

Because of the complexities involved in shipping and documentation arrangements, health and sanitation regulations, customs clearance procedures and potential distribution channel problems inside Japan, the majority of exporters opt to deal with a knowledgeable importer.

Under such circumstances, a potential Canadian exporter has as alternatives:

- dealing through a Canadian trading house with experience in Japan;
- dealing through a Japanese trading house directly;
- dealing directly with a Japanese supermarket or department store; or
- dealing directly with a major Japanese processor.

The major consideration facing an exporter is making the proper contacts and distributing the product efficiently in Japan with the confidence that product will be handled properly to ensure maximum freshness and eye appeal at retail level and that a proper feedback of information is forthcoming to enable the exporter to maintain a competitive position in the marketplace.

9 Import Regulations

The Ministry of Health and Welfare sets the standards for methods of manufacture, processing, using, preparing and preserving food and additives for sale and sets the criteria concerning the components of food or additives for sale. The Ministry also sets standards for labelling of such foods and additives for sale.

When these standards are established it is forbidden to manufacture, process, use, prepare, preserve or offer for sale by methods contrary to these standards.

All food products imported into Japan must comply with the Japanese law and a person intending to import food, additives or container/packages into Japan must notify the Ministry of Health and Welfare case by case.

Most imported foods are inspected by import inspectors from the Ministry of Agriculture, Forestry and Fisheries, the Ministry of Health and Welfare and the Ministry of Finance.

All meat products must be accompanied by a meat inspection certificate from the country of origin — in the case of Canadian product, Form HA32. In addition to Form HA32, a Sanitary Health Certificate - Japan is required.

The Ministry of Health and Welfare's food inspection is designed to make sure that imported foods meet Japanese health standards. In order to pass food sanitation inspection, all shipments of processed foods must be accompanied by a complete list of ingredients, including food additives, and a simple description of the manufacturing process used. Food additives should be listed in parts per million so that the health inspectors can determine whether the amounts used are within Japan's legal limits. The description of the manufacturing process should include processing times and temperatures. To pass the food sanitation inspection, food sanitation inspectors frequently require a chemical analysis of imported foods to make sure they meet Japanese standards. The Ministry of Health and Welfare will accept test results for food additive levels from specially designated foreign laboratories. Eleven Canadian labs are included. A complete list is available from Agriculture Canada Food Protection and Inspection, Meat Hygiene Division Branch, Ottawa.

The final step of the custom clearance process is the Ministry of Finance's custom inspection to determine the appropriate tariff rate for the product. Customs inspectors sometimes need details on ingredients and processing methodology to determine the proper tariff classification and in a few cases a chemical analysis may be required. Products that are subject to import quotas can only be imported by licensed importers who have unused quota allocations.

Before processed foods can be marketed in Japan they must have Japanese language labels indicating the name of the product, the ingredients, the net weight or volume, the date of manufacture and the name and address of the importer and country of origin. If the date of manufacture is not available, the date of importation can be substituted. The Japanese language labels can be put on in Canada but usually the Japanese importers affix small labels containing this information on the products after arrival in Japan.

Most importers are knowledgeable about the regulations on imported processed meats and should be able to furnish exporters with the necessary guidance on the information needed to clear customs.

10 Customs Duties

Customs duty on sausage products was scheduled for reduction to 10 per cent from 25 per cent effective April 1, 1989.

Customs duties for ham, bacon and pure pork preparations are 10 per cent or differential duty. Based on this system, the duty is calculated as follows:

A standard import price for skinned pork carcasses used for processing is calculated every year with ¥495 per kg the figure determined for fiscal 1989.

a) If the dutiable value of the imported product is less than the standard price × 15/7, (¥495 × 15/7 = ¥1 060.71), the duty is the difference between the standard price × 1.5 (¥495 × 1.5 = ¥742.5) and the dutiable value × 0.6.

b) If the dutiable value is more than standard price × 15/7 (¥1 060.71) a duty of 10 per cent is applied.

11 Japanese Imports of Processed Meats

Imports of processed meats into Japan have increased from 1 412 tonnes in 1982 to 2 723 tonnes in 1987, an increase of 92.8 per cent. From 1982 through 1985, total imports remained relatively steady, but with the liberalization of import quotas in 1985 imports doubled in the next two years but still represented only 0.5 per cent of the Japanese processed meat market (see Table 3).

All of the increase has taken place in the sausage section, offsetting a decline of 16 per cent since 1982 in the ham and bacon section as shown in Figure 7.

Sausage imports made up 92.2 per cent of the total processed meat imports in 1987 compared to 82.1 per cent five years earlier. Ham and bacon dropped from 17.7 per cent in 1982 to a 7.8 per cent share in 1987 (see Figure 8).

A strong yen and the growing popularity of sausages were the major contributing factors to this growth in imports (see Table 4).

In the ham and bacon section, Denmark and the U.S. controlled close to 70 per cent of the total tonnage while Canada's share was 5.2 per cent (see Figure 9).

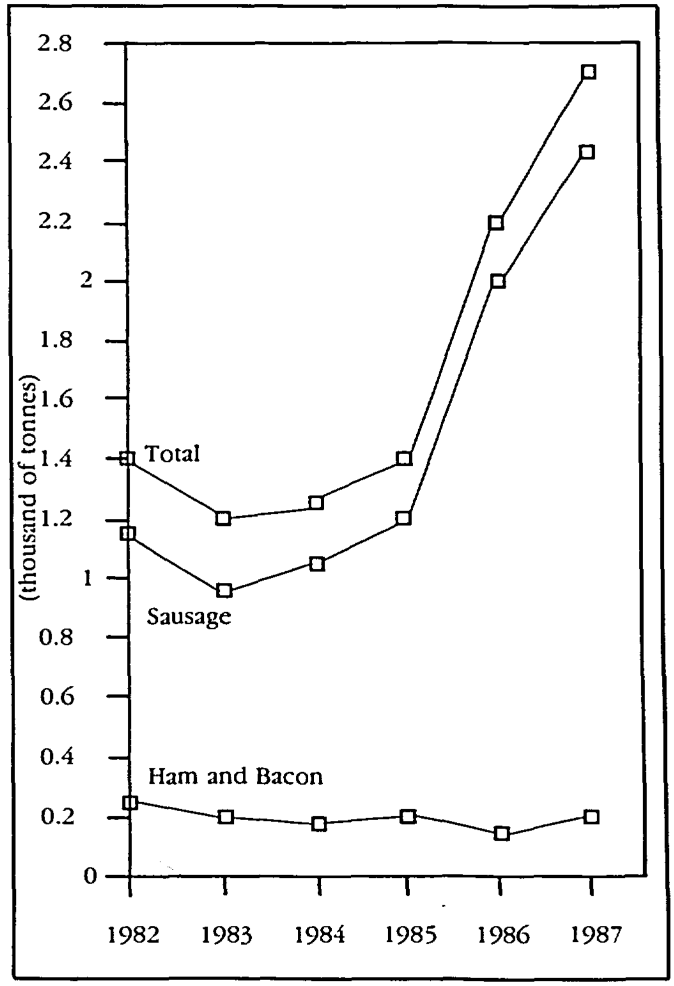
The U.S., Mexico, Australia and Taiwan were the major suppliers of sausage imports in 1987 accounting for just under 75 per cent of the total. Denmark and New Zealand accounted for another 10 per cent. Canada's share at 26 tonnes was 1 per cent of the total (see Figure 10).

Table 4 figures indicate that for the January/November period of 1988 imports continued to grow on a prorated basis of about 12 per cent above 1987 rates with sausage products still accounting for about 92 per cent of total imports. The U.S. and Australia remain the major suppliers in the sausage category with Denmark increasing its share and Mexico's shipments falling off sharply.

With the reduction in duty on sausage from 25 per cent to 10 per cent effective April 1, 1989, it is reasonable to assume that sausage imports will continue to grow but at a more modest rate than in the last two years. At the same time, ham and bacon imports will likely remain sluggish.

Figure 7

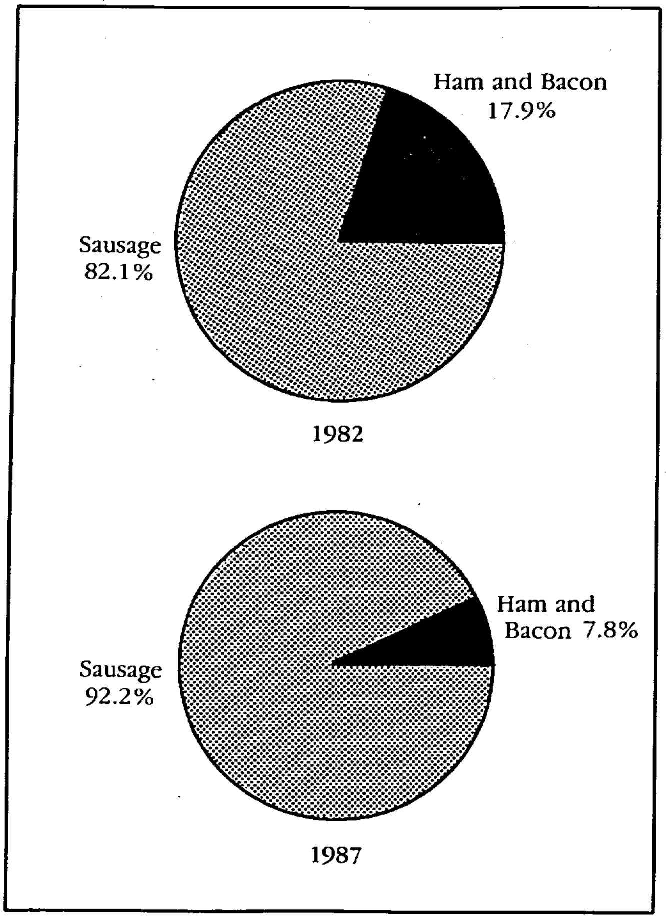
Imports of Processed Meats – Japan (by quantity)



Source: Ministry of Agriculture, Forestry and Fisheries.

Figure 8

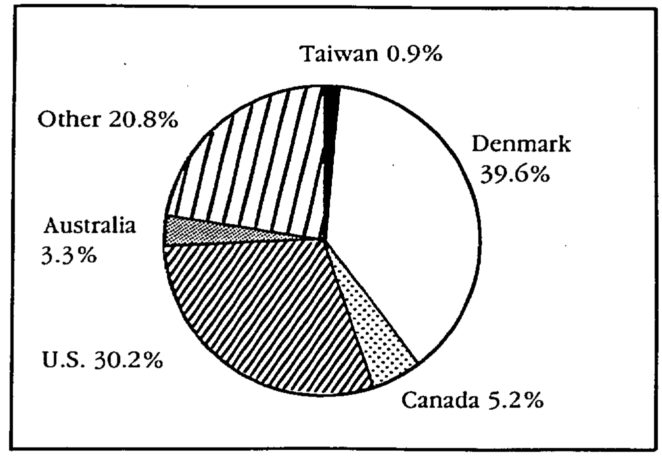
Percentage Share of Total Processed Meat Imports — Japan



Source: Ministry of Agriculture, Forestry and Fisheries.

Figure 9

Ham and Bacon Imports by Country of Origin — 1987



Source: Ministry of Agriculture, Forestry and Fisheries.

Table 3

Imports of Processed Meats – Japan (tonnes per ¥ million)

Calendar Year	Exchange Rate	Ham and Bacon Quantity	Ham and Bacon Value Yen	Ham and Bacon Value C$	Sausage Quantity	Sausage Value Yen	Sausage Value C$	Total Quantity	Total Value Yen	Total Value C$
1982	2.00	252	309	155	1 160	794	397	1 412	1 103	552
1983	1.92	219	258	134	954	622	324	1 173	880	458
1984	1.72	169	166	97	1 071	693	403	1 240	859	499
1985	1.72	182	213	124	1 225	792	460	1 407	1 005	584
1986	1.18	140	198	168	2 068	1 013	858	2 208	1 211	1 026

Source: Ministry of Agriculture, Forestry and Fisheries.

Table 4

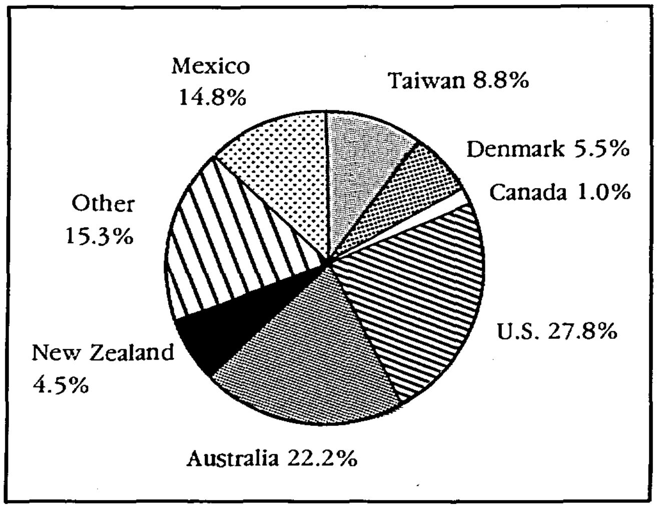
Japanese Imports of Processed Meats by Country of Origin (in tonnes and ¥ million)

Country of Origin		1982 Ham and Bacon	1982 Sausage	1983 Ham and Bacon	1983 Sausage	1984 Ham and Bacon	1984 Sausage	1985 Ham and Bacon	1985 Sausage	1986 Ham and Bacon	1986 Sausage	1987 Ham and Bacon	1987 Sausage	1988* Ham and Bacon	1988* Sausage
Taiwan	Quantity				17					1	173	2	220		152
	Value				12					2	57	4	76		64
Denmark	Quantity	52	278	86	125	84	138	105	154	40	136	84	139	60	222
	Value	37	163	62	64	57	63	72	68	37	61	82	65	69	106
Canada	Quantity	7	6	9	3	3	4	4	26	8	15	11	26	7	24
	Value	21	9	18	5	9	7	11	25	13	14	13	25	11	21
U.S.	Quantity	97	456	53	434	59	360	36	397	44	561	64	699	64	1203
	Value	107	326	54	296	57	256	40	295	37	329	54	337	65	535
Australia	Quantity	4	112		89	2	265	8	274		755	7	558	3	649
	Value	4	69		45	3	159	10	154		297	5	224	6	276
New Zealand	Quantity		127		138		151		145		124		113		113
	Value		99		96		185		96		62		50		48
Mexico	Quantity										38		372		13
	Value										15		134		7
Other	Quantity	92	181	66	148	21	153	33	229	47	266	44	384	66	235
	Value	140	126	124	104	40	103	80	154	109	178	116	251	152	152
TOTAL	Quantity	252	1160	219	954	169	1071	186	1225	140	2068	212	2511	200	2611
	Value	309	794	258	622	166	693	213	792	198	1013	274	1162	303	1209

Source: Japan Meat Processors Association.
* *January – November 1988*

Figure 10

Sausage Imports by Country of Origin — 1987



The potential for future growth particularly in the sausage section is being carefully studied in Japan as well as the potential for off-shore production of semi-processed and finished products at lower costs than domestic products.

CIF Imported Prices

CIF prices for imported ham and bacon, and sausage by country of origin indicate that ham and bacon imports were equivalent to C$2.5 million and sausage imports at just under $11 million.

The average price per tonne is significant only because it indicates the variety in the type of product and product mix in shipments from the exporting countries. For example, the sausage category is very broad in definition, consisting of meat or meat offal, chopped or minced (but can be bite-sized) with or without natural or artificial casing, raw or cooked, smoked or not, may contain added fat, spices etc., sliced or unsliced and packed in airtight containers or not. As a result, imports of sausage products range from ground seasoned pork and beef, all-beef franks, and pork wieners to salami, liver sausage, pates, bologna and sliced pepperoni for pizza toppings, all at varying prices.

Table 5

CIF Prices for Imported Ham and Bacon, and Sausage — 1987

Ham and Bacon			Sausage		
	Average Price/Tonne (C$)	Total Value of Exports (C$ thousand)		Average Price/Tonne (C$)	Total Value of Exports (C$ thousand)
Denmark	9 039	759.3	U.S.	4 464	3 120.4
U.S.	7 813	500.0	Australia	3 717	2 074.1
Switzerland	26 961	916.7	Mexico	3 335	1 240.7
Canada	11 818	120.4	Taiwan	3 199	703.6
Australia	6 614	46.2	Denmark	4 330	601.8
Taiwan	18 519	37.0	New Zealand	4 097	463.0
Other	15 740	157.4	Canada	8 903	231.4
			Other	6 052	2 324.0
TOTAL	11 967	2 537.0	TOTAL	4 284	10 759.0

12 Product Description Codes

The Japanese Ministry of Finance has analysed imports of processed ham, bacon and sausage using the customs co-operation council nomenclature (CCCN) classification up to and including 1987. The coding system was changed in the 1988 analysis as a result of Japan's agreement to adopt the international harmonized commodity description and coding system effective January 1, 1989. Canada switched to the harmonized system at the same time.

A comparison of the old and new codes follows:

	1987	CCC Code No.
A.	Ham	02.06-110
B.	Bacon	02.06-120
C.	Hams, Not Sterilized	16.02-221
D.	Bacon, Not Sterilized	16.02-222
X.	Sausage and Similar Products	16.01-000

	1988	Harmonized Code No.
E.	Ham, Shoulder Ham w/Bone	0210.11-010
F.	Ham, Shoulder Ham w/Bone	0210.11-020
G.	Bacon	0210-12-010
H.	Bacon	0210-12-020
I.	Other (Loin Ham etc.)	0210.19-010
J.	Other (Loin Ham etc.)	0210.19-020
K.	Ham, Not Sterilized	1602-41-011
L.	Ham, Not Sterilized	1602.41-019
M.	Shoulder Ham, Not Sterilized	1602.42-011
N.	Shoulder Ham, Not Sterilized	1602-42-019
O.	Other Ham (Not Sterilized)	1602-49-210
P.	Sausage and Similar Products	1601.00-000

Summary:	Old Code	New Code
	A	EFIJ
	B	GH
	C	KLMNOP (Loin Ham)
	D	OP (Bacon only)
	X	Y

13 Approaching the Japanese Market

The Japanese processed meat market is not unlike any other export market in general terms. To be successful in servicing the market, the exporter must make a firm commitment in time, staff, money and continuity of supply to give the undertaking a reasonable opportunity to succeed.

However, because of the uniqueness of the products involved the Canadian exporter planning to sell processed meat product in Japan must reflect upon a number of other factors. A partial list of questions to answer in advance would include:

- What product will be offered for sale?
- Will the product be suitable for the market? i.e., taste/packaging/uniqueness?
- Will the product be competitive in price?
- Will the product meet and pass Japanese health, sanitary and labelling regulations?
- How will the product be sold?
- Will the product be shipped fresh, chilled or frozen?
- How will the product be transported to Japan?
- How will the product be distributed?
- Will the product be adequately monitored in Japan to ensure proper turnover in order to maintain freshness?
- What will be the policy regarding returns?
- Will the product be supported by advertising and sales promotion and what will be the cost of such support?
- Is advertising and sales promotion necessary?
- Will the package size be acceptable in Japan?
- Is the initial batch size practical?
- If necessary, is the exporter prepared to adjust the formulation of the product to suit the demands of the market?
- Is the plant capacity sufficient and flexible enough to meet the demand?
- Can the product designated for export be kept separate from domestic production if necessary?

- In the event that a branded product sale is not practical, is the exporter prepared to enter into a licensing arrangement with a Japanese company to produce private label or is the company prepared to enter into a joint venture with a Japanese company?
- Is the exporter familiar with Japanese business practices?

While the answers to some of these questions may appear daunting and pose constraints to some potential exporters, it is obvious that others have successfully faced the challenges and are currently enjoying an expansion in their Japanese business.

14 Conclusions

The market for processed meats in Japan is an expanding and highly competitive one.

Production increased by 25 per cent from 1982 to 1987. Figures for the first three quarters of 1988 indicate continued growth but at a more modest rate of 3.1 per cent. All of the increase has been at the high quality end of the market while lower quality products continue to suffer decreases.

The processed meat industry is dominated by five major processors who accounted for 57.4 per cent of total production in 1987. They are well positioned within the industry and compete vigorously for market share by way of costly advertising and sales promotion activities, the ongoing monitoring of consumer trends and the development and introduction of new products.

While imports of processed meats have shown substantial gains in recent years, imported products still only account for less than 1 per cent of the total market.

Except for some specialized or unique products, little if any imported processed meats are found in the supermarkets.

A determined exporter can adjust to product formulation changes, downsizing in packages, and even make the necessary arrangements for distribution in Japan, but the major impediment is coping with the ever-increasing demand by consumers for product freshness and the almost universal opinion that frozen product is unacceptable at the retail level.

The restriction on frozen product does not apply to all sectors of the H.R.I. trade and it is in this area that imports may find their best opportunities for market development. Some major retailers may also be receptive.

Considerable discussion has been generated on the subject of offshore production of processed meats due to:

- the continuing strength of the yen;
- the reduction in the custom duty on sausage to 10 per cent;
- speculation that the differential duty on ham and bacon products may be changed to an ad valorem duty by 1991; and
- the effect of anticipated changes in the distribution channels when beef quotas are eliminated in 1991.

Views are mixed on what, if any, impact these changes will have on the level of imported processed meat products. At this time, most importers — be they trading companies, processors or retailers — are studying the regulations and assessing probable situations to determine how to work within the given framework to best advantage.

It has been suggested that one form in which a trade in processed meats may develop is in semi-finished products. Already seasoned pork and beef products have been imported on a trial basis under the sausage category and some work is being done on the injection curing of loins, hams and shoulder cuts. If this latter alternative was to develop into a significant volume it could cause concern for some present exporters of frozen pork who could be threatened with a reduction in exports if their present facilities are unsuitable for curing operations.

Changing circumstances could generate considerable interest in the production of private label or custom-produced products in offshore facilities for the H.R.I. trade and for some retailers. Also, some processors may be prepared to enter into a licensing agreement with a processor outside Japan but it is more likely that the Japanese party would prefer a joint venture or an outright purchase. Many of the major processors in Japan already have overseas subsidiaries or affiliations which place them in a position of strength through knowledge about such offshore working relationships.

The latest liberalization efforts by the government of Japan will produce some very interesting changes within the next year or two.

15 Recommendations

Based on the preceding analysis, the following recommendations are made to prospective exporters and others:

- that prospective exporters become familiar with Japanese health and sanitation laws, particularly as they relate to food additives.

- that prospective exporters be aware that the major impediment to servicing the retail processed meat market in Japan is product freshness.

- that the industry monitor production and import statistics, at least on a quarterly basis, to keep abreast of changes and trends in Japan. This updating of information could be done with co-operation between External Affairs Canada and the Canadian Meat Council.

- that Agriculture Canada consider making available an export product review service, similar to the U.S. Department of Agriculture, to ensure that export products meet Japanese regulations. The U.S. service is on a user fee basis.

- that prospective exporters concentrate their attention on the hotel, restaurant and institutional trade, the growth area of the market, where consumer demand does not militate against frozen product and where advertising and sales promotion expenses are not a factor.

Appendix I

Trade Shows

There are a number of Japanese trade fairs relating to the food, beverage and food processing industries. The two major fairs that would be of particular interest to Canadian meat processors are:

International Food Exhibition Tokyo (FOODEX)

Date:	March	
Frequency:	Annual	
Site:	Tokyo International Trade Fair Grounds (Harumi)	
Organization:	Japan Management Association 3-1-22 Shibakeon, Minato-Ku Tokyo 105	
	Tel:	(03) 434-1391
	Telex:	JMA J 25870
	Fax:	(03) 434-8076

Self Service Fair

Date:	February	
Frequency:	Annual	
Site:	Tokyo International Trade Fair Grounds (Harumi)	
Organization:	Japan Self Service Association TOC Bldg. 9F No. 13 7-22-17 Gotanda Shinagawa-Ku, Tokyo 141	
	Tel:	(03) 494-3836
	Telex:	2467439
	Fax:	(03) 494-3838

Appendix II

Related Organizations

Japan Ham and Sausage Processors' Co-operative Association
5-65-6, 1-Chome, Ebisu
Shibuya-Ku, Tokyo, Japan
Tel: (03) 444-1211
Fax: (03) 441-8287

Japan Meat Processors Association
5-6, 1-Chome, Ebisu
Shibuya-Ku, Tokyo, Japan
Tel: (03) 441-1211

Japan A. A. Meat Traders Association
3-19-15 Takanawa
Minato-ku, Tokyo, Japan 108
Tel: (03) 444-2177
Fax: (03) 475-8287

Appendix III

Interviews/Discussions

Japan

Japan Meat Conference Tokyo	— Mr. Manabe Executive Director
Prima Meat Packers Tokyo	— Mr. Nishikawa Manager, Meat Section
C. Itoh, Tokyo	— Mr. O. Yoshizumi Meat and Livestock Section
Itoman & Co. Ltd.	— Mr. F. Ishizeki Manager, Meat Section — Mr. Y. Tomioka Meat Section
Nichimen Corporation Tokyo	— Mr. T. Uemura Manager, Livestock Products Section — Mr. H. Fujisawa Manager, Livestock Products Section, No. 2
Nichiryu, Tokyo	— Mr. K. Noguchi Manager, General Foods, Tokyo

Toshoku Ltd., Tokyo	— Mr. Y. Shoman Manager, Processed Meat Section — Mr. K. Mihara Assistant to Manager, Processed Meat Section — Mr. T. Kamiya Assistant Manager, Meat Section
ITO Ham Foods Inc. Tokyo	— Mr. Nakamura Manager, Beef Section
Ministry of Agriculture, Forestry and Fisheries (MAFF)	— Mr. K. Sugiura Senior Staff Meat and Egg Division
Japan A. A. Meat Traders Association, Tokyo	— Dr. M. Fukase Senior Vice Chairman
Canada Packers (Japan) Inc., Tokyo	— Mr. E. Ebihara President — Mr. A. Sekiya General Manager
Ministry of Health and Welfare, Tokyo	— K. Morita D.V.M. Deputy Director Veterinary Sanitation Division, Environmental Health Bureau — K. Kaji D.V.M. Technical Official — Mr. S. Minami Technical Official
Nippon Meat Packers Inc., Tokyo	— Mr. S. Watanabe Assistant Manager, Port Import Department Fresh Meat Division
Japan Ham and Sausage Processors Co-operative Association, Tokyo	— Mr. E. Ohkawa General Manager
U.S. Meat Export Federation, Tokyo	— Mr. D. P. Quigley Director, Japan/Korea — Mr. T. Tanaka Marketing Specialist
Japan External Trade Organization (JETRO) Tokyo	— Mr. T. Mori Director, Department of Agriculture, Forestry and Fisheries — Mr. S. Shirahama Director, Agriculture Department
The Seiyu Ltd., Tokyo	— Mr. K. Makise Manager, Overseas Product Development Department
Japan Meat Conference Tokyo	— Mr. T. Manabe Executive Director — Mr. T. Takahashi Chief of Operations Section
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Japan Meat Importers Association, Tokyo	— Mr. J. Mizusuna Executive Director
Canadian Embassy Tokyo	— Mr. G. Parsons Commercial Counsellor — Mr. W. M. House First Secretary Agriculture and Food — Mr. Y. Kagi Commercial Officer
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Toyamenka Canada Ltd. Toronto	— Mr. M. Matsumoto Executive Vice President, General Manager
Chori Canada Limited/ LIMITEE, Toronto	— Mr. K. Akita Manager, General Merchandise Department
Marubeni Canada Ltd. Toronto	— Mr. Y. Hasebe Manager General Merchandise Department
Sumitomo Canada Limited, Toronto	— Mr. M. Kurata Manager, Produce and General Products
J. M. Schneider Inc. Kitchener	— Mr. D. Fancourt Pork Manager
Canworld Foods Ltd. Toronto	— Mr. D. Newton President — Mr. B. Perkins
Canada Packers Inc. (I.T.D.), Toronto	— Mr. M. Bilyea Vice President, General Manager — Mr. J. Lee Business Manager — Mr. S. Polenz Trading Manager — Mr. Hara Specialist
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Quality Meat Packers Toronto	— Mr. M. Miller International Sales Manager

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