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FOODEX JAPAN 2010

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Report Highlights:

The 35th International Food and Beverage Exhibition (FOODEX) was held March 2-5, 2010 in Tokyo. The theme of this year's show was *Partners in Agriculture (PIA)*, which celebrates the long-standing agricultural trade partnership between the United States and Japan.

Ambassador John V. Roos toured the U.S. pavilion and met with exhibitors, held a press conference to kick off PIA, and gave a short speech and cut the ribbon to open FOODEX. The Agricultural Trade Office (ATO) developed innovative activities for the U.S. Pavilion to add value to the show, including an exhibitor briefing, an internet cafe and business support center, the "American Food and Cuisine" cooking demonstration, and exhibitor tours of the Japanese section of the show. The ATO also held a seminar to educate the Japanese food trade on the new USDA Trade Lead System.

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Introduction

The 35th International Food and Beverage Exhibition (FOODEX) was held March 2-5 in Tokyo. FOODEX, which is the largest food show in Asia, had 73,566 visitors from over 60 countries. The U.S. Pavilion again ranked among the largest at the show with 83 U.S. food and beverage companies. Exhibitors were pleased with the quality of visitors. The weak dollar and strong yen stimulated interest in U.S. products, with projected U.S. sales from FOODEX estimated to reach \$16 million within 12 months.



FOODEX visitors

During the first day of the show, Ambassador John V. Roos toured the U.S. pavilion and met with exhibitors, and held a press conference to kick-off *Partners in Agriculture*. He also gave brief remarks and cut the ribbon to open the show.

The ATO included several activities to add value to the show including an exhibitor briefing, the internet cafe, the “American Food and Cuisine” cooking demonstration, and an exhibitor tour of the Japanese section of the show. The ATO also held a seminar to educate the Japanese food trade on the new Trade Lead System and offered on-site staff support to help U.S. exhibitors promote their products.

Ambassador Roos Participation at the Show

During the morning of the opening of the show, Ambassador John V. Roos toured the U.S. pavilion and met with exhibitors. He was able to sample a wide variety of delicious American food and talk with U.S. exporters about the opportunities and challenges in the Japanese market.

After the tour, Ambassador Roos held a press conference to kick-off *Partners in Agriculture*, which celebrates the long-standing agricultural trade partnership between the United States and Japan. PIA runs from March through mid-summer. Ambassador Roos spoke movingly about the long history of the agricultural relationship between the United States and Japan. Ambassador Roos was joined on the stage by four distinguished individuals involved in this agricultural relationship; Jiro Shiwaku, President of Japan Agricultural Exchange Council, Thomas Dorr, President and CEO of the U.S. Grains Council, Kunihito Hisaki, Vice President of Aeon, and Norio Yamaguchi, Chairman of the Board of Ajinomoto. The press conference received wide media coverage with roughly 45 journalists attending the event. For more information on the press conference, please see *Attaché Report JA0504*.

After the press conference, Ambassador Roos participated in the show’s opening ceremony by giving a short speech and then joining other dignitaries in cutting the ribbon to open the show.

This is the first press conference held at the show by the U.S. Embassy and the first time in several years that an American Ambassador visited FOODEX.

Exhibitor Briefing

Geoffrey Wiggin, U.S. Minister Counselor for Agricultural Affairs, briefed the exhibitors on the U.S.-Japan agricultural trade relationship. He emphasized Japan's continuing importance as the largest overseas market for the U.S. agriculture sector and emphasized the strong cooperative history shared by the United States and Japan in the agriculture sector. Mr. Wiggin also introduced the *Partners in Agriculture* series of events that take place from March through mid-summer that highlight the shared relationship in agriculture between the United States and Japan. He invited exhibitors and the U.S. agriculture sector to learn more about *Partners in Agriculture* at the program's website, www.partners-in-agriculture.org.

Mr. Peter Thomas, the President of Daymon International, Japan presented the trends in the Japanese food market. Mr. Thomas has 12 years experience working in Japan and manages Daymon International's Japan business to facilitate connections between suppliers of food products, their distributors and end consumers' needs.

Mr. Daymon touched upon key trends and issues in the Japanese market for traders of food and agriculture products. He noted the different distribution channels in Japan, including general merchandising stores (GMS), convenience stores (CVS), supermarkets, and discount stores. Supermarkets are expected in the coming months to take advantage of a new regulation permitting the sale of some OTC medication, thereby increasing their utility as a one-stop shop. Hard discounters – while still relatively few in number – are seeing increasing sales in Japan, and may change price perceptions among those consumers with regular access.

Exhibitors also were given a look inside a Japanese home in Mr. Daymon's presentation. He emphasized the importance of understanding everyday behavior and lifestyle of Japanese consumers. For example, the majority of consumers in Japan shop daily or multiple times per week due to a lack of storage space in the home and demand for freshness.

Mr. Daymon also spoke about notable Japanese policies and trader and manufacturer behavior which results because of these policies. For example, as Japan's high beer tax is based on malt content, starting in 2004 manufacturers began using alternative ingredients to produce and offer low-malt and no-malt beer type beverages to market at a lower cost.

Finally, he touched on the importance of labeling and how product origin is a major purchasing decision criterion. Many domestically produced foods have "Made in Japan" highlighted on labels as this is favorable to consumers.

Doug Schaffer, President of Toyo Beverage K.K., gave an insightful talk on exporting to Japan. Based on over 20 years of experience in the Japanese food sector, Mr. Schaffer gave an informative presentation on what to expect when exporting to Japan, giving an overview of the regulations which U.S. companies must follow when exporting to Japan. He said that although the Japanese government and U.S. trader interpretations of these rules may differ, U.S. traders must abide by the established requirements. He also said that sales are not usually made quickly in Japan, that it could take time to establish relationships with Japanese importers but that the Japanese market offered many valuable opportunities.

Tommy Aoki, the Senior Marketing Specialist at the ATO, discussed the several activities undertaken by the ATO at the show. He talked about the Ambassador's press conference and the pre-conference U.S. Pavilion walk-through. Mr. Aoki also briefed exhibitors on other ATO

sponsored events including a seminar on a new Trade Lead System, Japanese exhibitor tour and the U.S. Pavilion cooking demonstration.

The U.S. Pavilion and the Internet Cafe



USA Pavilion



USA Booth

The U.S. Pavilion, which had been recently redesigned to create an open, more appealing floor plan, featured 83 U.S. exhibitors. Many of the exhibitors were sponsored by U.S. trade groups such as the U.S. Meat Export Federation, the State Regional Trade Groups (SRTGs), and the National Association for the Specialty Food Trade (NASFT), or by states such as Oregon and Illinois.

The ATO hosted the internet cafe and business support center (BSC) for U.S. exhibitors and related traders. The BSC / Café featured meeting rooms, computers with internet connections, and food and drink for exhibitors.

This year, in addition to the myfood.jp, and the ATO business website, the internet cafe highlighted the *Partners in Agriculture* program.

Partners in Agriculture
at BSCBSC reception and
laptops

American Food and Cuisine Cooking Demonstration

American Food and Cuisine
Cooking Demo

An exciting attraction to the U.S. Pavilion was the "American Food and Cuisine" cooking demonstration booth which aimed to provide a platform for exhibiting organizations, and support for the Pavilion by entertaining visitors. The 2010 demonstration was based upon four separate themes, *comfort food*, *traditional cuisine*, *fusion cuisine*, and *simple recipes*.

The cooking demonstration featured a lineup of several chefs led by Ema Koeda, a Culinary Institute of America trained chef who specializes in California cuisine. She developed healthy and

delicious original recipes that appeal to Japanese tastes, promote U.S. food ingredients and demonstrate the given theme for the day.

Several organizations, both major associations and individual exporters, were featured in the cooking demonstration, including the U.S. Grains Council, the American Peanut Council, California Olive Ranch and American Indian Foods. Demonstrations were cross functional in that visitors could taste the various American recipes while watching cooking demonstrations and follow up for more information at the related booths. Furthermore, the demonstration

Cooking demo menu with four
days and four themes

became an excellent opportunity to showcase the products of a number of organizations which did *not* have booths for the duration of the exhibition; thus, the U.S. Pavilion featured more exporting organizations than exhibiting booths.

Throughout the four days of the demonstrations, all of the chefs shared their insights on major themes which define modern American Cuisine. While preparing recipes for pavilion guests, they spoke of the *history* of the American people and the influences on American dining. In speaking especially about fusion cuisine, but throughout the exhibition, the chefs



Cooking demo tasting

spoke about *diversity* and the positive contribution to American cuisines made by the various cultures found in the United States brought on by a history of immigration. Finally, all chefs emphasized the American value of *freedom*. With this, American cuisine is always developing with the freedom to explore new ingredients, combinations and culinary techniques. While visitors were enthusiastic about all the demonstrations, hit recipes included a grapefruit and grilled salmon marinated salad, *Oregonzola* cheesecake with blueberry topping, and California olive oil salad with Alaskan cod.

Exhibitor Tour of the Japanese Exhibition Section

To give exhibitors a hands-on briefing of Japanese food trends, Alex Otsuka, a marketing specialist at the ATO, led two tours of the Japanese food section at FOODEX. In an entertaining manner, Mr. Otsuka educated the U.S. exhibitors on some of the unique aspects and local products in the Japanese food sector. The tour focused on organic foods, manufacturers of traditional regional foods and Japanese importers who carry U.S. products. Feedback from U.S. visitors and tour participants was very positive, especially from those new to the Japanese market.

Trade Lead System Seminar

Alex Otsuka also gave a presentation to the Japanese trade on USDA's new Trade Lead System. The internet based system, which was created by the National Association of State Departments of Agriculture with funding from USDA's Foreign Agricultural Service, is designed to match U.S. exporters and foreign importers. The system is unique in that each post works with the 50 state agricultural offices in matching importers and exporters. Keith Long, from Virginia's Department of Agriculture, also talked about the importance of the new system to exporters from his state.