

USDA Foreign Agricultural Service

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Global Agricultural Information Network

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### **The WASABI - Hot News from Japan Vol. 13 Issue 6**

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Agricultural Situation

**Approved By:**

Jess K. Paulson

**Prepared By:**

FAS Japan Staff

**Report Highlights:**

FAS/Japan assisted three delegations from Montana in April, including a group of craft beer and spirits companies, Montana Senator Steve Daines, and Montana's Director of Agriculture Ben Thomas, who was accompanied by representatives from the Montana Wheat and Barley Committee.

Keywords: WASABI, JA7063, Montana, Portland, AHEC, Egg, Soy, Barley, Cherry, Peach

# The Wasabi

*HOT News from Japan - Vol 13, Issue 6*  
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**Montana Delegations:** FAS assisted three different delegations from Montana in April. The first, a group of six craft beer and spirits exhibitors came to the Embassy for a briefing on the Japanese market for alcoholic beverages, and then exhibited at the Wine and Gourmet Japan trade show in Tokyo for between April 12 and 14. FAS also introduced them to contacts at importers, distributors and associations at a networking reception that was organized by the Montana Department of Commerce. FAS Minister-Counselor Gary Meyer then briefed Montana Senator Steve Daines on the agricultural situation in Japan. FAS briefed the third group, led by Montana's Director of Agriculture Ben Thomas and included representatives from the Montana Wheat and Barley Committee. FAS arranged meetings for them with several local cooperators and the Japanese Ministry of Agriculture.



**Portland Fair at Hanshin Department Store in Osaka:** Hanshin Department Store held its 2nd Portland Fair at its Umeda store in Osaka from April 26 to May 2, 2017. The fair featured a wide variety of food products from Portland, Oregon, including craft beer, hard cider, wine, coffee, tea, chocolate, Kombucha, honey, grain, snacks, salt, and more. ATO Osaka supported Hanshin by providing information on Portland's food culture and introducing importers and suppliers of food products from Portland. Mr. Allen Greenberg, U.S. Consul General in Osaka-Kobe, and Ms. Rachel Nelson, ATO Director in Japan, visited the fair to promote Hanshin's showcase for products from Portland. According to Hanshin, the fair was a great success, drawing more customers and making more sales than they had expected. Hanshin is planning to continue the fair as an annual event.



A poster of the Portland Fair put in the Hanshin Department Store.

**AHEC Round Table Meeting on U.S. Hardwood Veneers:** The American Hardwood Export Council (AHEC) hosted a Round Table Meeting to discuss U.S. hardwood veneers in Tokyo on April 28, 2017 in collaboration with Japan’s Forestry Agency, the Japan Federation of Fancy Veneers and Plywood Manufacturers Associations, and the Japan Federation of Wood-Industry Associations. Mr. Jess Paulson, Agricultural Attaché from U.S. Embassy in Tokyo, gave opening remarks, welcoming the audience and expressing appreciation for their support to AHEC’s activities in Japan. Mr. Vijay Reddy of Danzer Veneer Americas outlined the U.S. hardwood veneer industry and Mr. Yasuta of Yasuta Veneered Surfaces & Design presented on design concepts that utilize hardwood veneer. Mr. Yoshimoto of the Forestry Agency presented on Japan’s new “Clean Wood Law”, which will enter into force on May 20, 2017.

The seminar concluded with a round table discussion of nine panelists from industry who shared views on various topics, including the use of decorative veneers in architecture, a comparison of regulations and the legality of hardwood in America, Europe and Japan, and future possibilities for U.S. hardwood in the Japanese market. About 70 people from the industry attended the event.



Agricultural Attaché Jess Paulson gives opening remarks at the AHEC event.

**CGC Japan Annual Trade Show:** On April 18 and 19, Cooperative Grocer Chain (CGC) Japan, a key ATO Japan contact, held an annual trade exhibition showcasing a total of 1,400 items including U.S. beef, pork, potato chips, snacks, and mustard. CGC Japan supplies 4,015 outlets of small to mid-sized supermarket chains throughout Japan. In 2017, Japan's supply of potato chips is in short supply due to weather related losses last year in Hokkaido, where Japan grows 90 percent of its potatoes. CGC is planning to increase its import of U.S. potato chips in the next year. A CGC trader remarked that a challenge for imported potato chips is packaging, as to maintain product quality, such as preventing broken chips and preventing the oil in the chip from oxidizing.



American products showcased at the CGC Japan Annual Trade Show.

**“Egg”, the Brooklyn-based Restaurant Chain Opens in Tokyo:** On April 17, ATO Director Rachel Nelson gave remarks at the opening ceremony in Tokyo of “Egg”, a Brooklyn-based all-day breakfast/brunch restaurant chain. It was the first outlet overseas for the popular American restaurant. While featuring traditional Southern cuisine using locally sourced fresh produce—as the company is known for in the U.S.—the New York restaurant offers authentic U.S. ingredients such as organic grits. In addition, Egg is planning to offer other traditional American foods including country ham and maple syrup. Owner George Weld, who came to Japan to train the Japanese staff in time for the opening, also gave a speech. The American outlet is the latest in a series of innovative American food companies opening restaurants in Japan over the past few years, and is expected to help enhance the image of American cuisine and agricultural products.





ATO Director Rachel Nelson gives remarks at the opening ceremony in Tokyo of "Egg."

**Soy & Soymilk Nutrition and Health Seminar:** On April 25, 2017, ATO/Tokyo greeted 100 participants to a seminar on Soy and Soy Milk. The seminar was hosted by the U.S. Soybean Export Council in collaboration with Japanese producers Kikkoman, Marusan-Ai, and Fuji Oil, as well as Kagawa Nutrition University and the Japan Soymilk Association. The large turnout included nutritionists, dietitians, medical & healthcare professionals, as well as soymilk masters and manufacturers. The seminar guest speaker was Dr. Fang Fang Zhang, an Assistant Professor at the Tufts University Gerald J. and Dorothy R. Friedman School of Nutrition Science and Policy, who spoke about the health benefits of consuming soy and soy milk.



The Soy & Soymilk Nutrition and Health Seminar was attended by more than 100 people.

**Tochigi Visit:** FAS/Tokyo staff visited Tochigi Prefecture to see barley production on April 21, 2017. Tochigi is the largest two-row beer barley producing region in Japan and supplies some of the country's largest beer manufacturers. While in Tochigi, FAS/Tokyo spoke with producers about the growing popularity of glutinous naked barley in Japan (known as mochi mug) given its perceived health benefits (high beta glucan). Producers noted that domestic supplies cannot meet this burgeoning demand. Recently, exports of U.S. barley for food to Japan increased from 4,800 MT (US\$2.4 million) in CY2015 to 8,300 MT (US\$4.3 million) in CY2016. As the majority of Japanese barley is produced as part of a crop rotation on rice paddies in Japan, Tochigi producers noted that they do not believe domestic barley production can keep up with this demand (and is likely to continue to create opportunities for imports).



Senior Agricultural Attaché Chris Riker (Center) with two Tochigi farmers.

**FAS/Tokyo Visits Fukushima Peach and Cherry Producers:** On April 20-21, Agricultural Attaché Jess Paulson and Agricultural Specialist Tomohiro Kurai traveled to Fukushima prefecture, Japan's second largest cherry and peach producing region, to learn about production and constraints. Japan's planted area and production of peaches and cherries have declined consistently in recent years, in part due to the aging of farmers and shortage of labor. FAS/Tokyo met with local young farmers to hear their perspectives on the future of Japanese agriculture, and of cherry and peach production in particular. We further exchanged ideas with local agricultural officers and growers associations on increasing Japanese fruit consumption, which has declined continuously since the early 1990s. U.S. stone fruit exports to Japan peaked in 2001 at 16,911 MT, and were 4,676 MT in 2016.



Agricultural Attaché Jess Paulson (Second from Right) and Agricultural Specialist Tomohiro Kurai (Third from Right) exchange views with young Fukushima farmers.