

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 11/19/2013

GAIN Report Number: JA3518

Japan

Post: Tokyo ATO

Wine Caravan- Promoting Wine in Japan

Report Categories:

Agricultural Trade Office Activities

CSSF Activity Evaluation

CSSF Activity Report

Dairy and Products

Dried Fruit

Snack Foods

Market Promotion/Competition

Wine

Approved By:

Prepared By:

Sumio Thomas Aoki, Senior Marketing Specialist

Report Highlights:

U.S. wine marketing is concentrated in Tokyo and Osaka, which are the largest wine consumption cities. Wine Caravan is devoted to creating exposure for U.S. wines in the second tier consumption markets .

General Information:

Concept:

U.S. wine marketing is concentrated in Tokyo and Osaka, which are the largest wine consumption cities. Wine Caravan is devoted to creating exposure for U.S. wines in the second tier consumption markets such as Nagoya, Sapporo, Sendai and Kanazawa.

Purpose:

Provide a platform for U.S. wine importers and distributors to promote their wines in second tier cities that they normally forgo.

Background:

Second tier wine cities such as Nagoya, Sapporo, Sendai and Kanazawa lack wine representation overall and distributors in these cities tend to sell and give precedence to old world wine rather than U.S. wines. U.S. wines even if found in the market are the low price end and large quantity wines. Education, experience and exposure to U.S. wines through tastings targeting retail and food service customers will create a demand for U.S. wines. A portion of time in each city will be dedicated to meeting with wine distributors and shops.

Strategy:

1. Work with smaller sized importers and distributors
2. Target retail purchasers, food service purchasers and wine influencers
3. Develop relations with local wine distributors and provide them education programs, if necessary.

Activity:

1. Coordinate with U.S. consulates and local government offices to identify wine customers, distributors, wine influencers and best venues.
2. Coordinate with U.S. wine importers and distributors to develop educational material and tasting programs.
3. Conduct wine tastings and seminars
4. Visit with wine distributors

2013 Wine Caravan

This was the first Wine Caravan.

Wine Caravan Nagoya included 19 wine importers and welcomed 145 visitors to the Nagoya Hilton on September 11, 2013 from 1:00 to 5:00 pm.

Wine Caravan Sapporo included 12 importers. 74 members of the wine industry visited the Hotel Okura Sapporo on September 13, 2013 from 1:00 to 5:00 pm.

ATO also included non-wine partners such as California Dairy Council (Cheese), Delta International

(raisins-on-the-stem, shelled almonds), Heritage Japan (Route 11 potato chips), and Jimbo Company (Pork jerky). These were made available for the guests to try with the wines and also consider purchasing for their restaurants.

The wine importers were contacted by the Wine Institute Japan who supported this activity. Many importers surveyed prior to the event supported the event as well.

Contacting the wine industry of both cities proved to be the most challenging effort. ATO worked with the Japan Sommelier Association, who agreed to support and provide ATO with its member list. ATO mailed 352 invitations to Nagoya members and 165 Sapporo members. We also sought assistance from distributors and known restaurant partners. New business relations were established through this exercise.

A wine connoisseur in Sapporo who teaches wine courses and is the consultant for young entrepreneurs will be a vital partner for the future. She was impressed with the wines that were presented.

One of the largest liquor distributors in Nagoya attended and was surprised to find an enormous array of wine labels. Although this group knew they existed they did not have an opportunity to experience them in the past.

Survey:

Wine importers were asked to answer a survey. The results combine Nagoya and Sapporo. 10 out of 21 responded as of November 4, 2013. More are expected to respond. The responses are a sum of all the responses.

1. How many potential customers did you meet for the first time? 32
2. How much sales on the day of the event? \$180
3. How much sales after the event? \$1468
4. Potential sales amount in the next year? \$18,754
5. Was the event worth your while?

Most of the importers were glad to participate, especially since there was no booth or participation fee. Usually, importers pay \$600 per booth per event.

6. Should this event take place again?

If the event is in Nagoya and there is no booth cost, then most respondents would like to participate.

Results:

Nagoya seems to be the third popular city after Tokyo and Osaka for a wine tasting. However, many Nagoya purchasers don't have opportunities to experience U.S. wines. Overall, this activity confirmed that a wine event in Nagoya has potential to increase wine sales in Japan.

An interesting comment from importers and purchasers was that it was the first time and a wonderful experience to participate in a tasting event where Californian, Oregon and Washington wines were poured together.

Whether the ATO should host an event for wine with CSSF should be considered. Do the wine cooperators have the ability to conduct a wine tasting in Nagoya? Perhaps the wine cooperators could combine their efforts to do one annual U.S. wine tasting in Nagoya.

