



Preliminary Report on the PUHA/WCGUA trip to the 2003 Japan Seafood and Technology Expo

Tim Joys and Geoff Krause departed Vancouver on Monday July 14 for the 2003 Japan Seafood and Technology Expo being held between July 16-18, 2003 in Tokyo Japan. They managed to coordinate their trip and activities somewhat with Dr. Don Pepper from the BC Pacific Sardine Association. The show was held at the Tokyo Big Site Convention Centre (Figure 1) and included about 450 exhibitors in some 720 booths showing their wares to an expected total of about 30,000 attendees. This is the fifth year for the show and, although it is perhaps not large in comparison with some of the other international shows, it has been growing since its inception and will likely become more prominent as it matures.

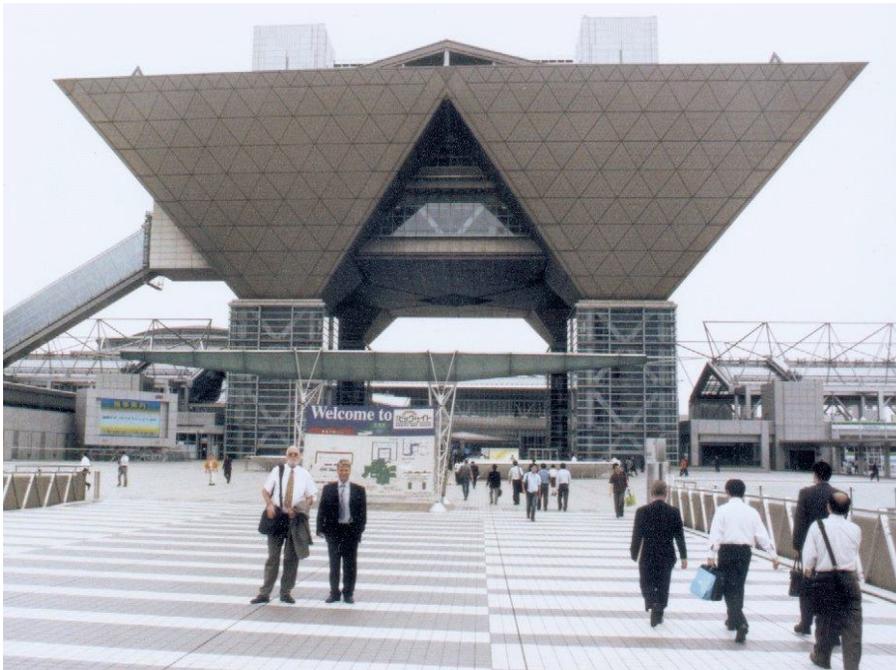


Figure 2: Tokyo Big Site- site of the Tokyo Seafood Show

The show attracted exhibitors from a number of countries, primarily Asian in origin although the United States was represented by the Alaska Seafood Institute, NOAA and the Maine Shellfish Marketing Association and a couple other associations.. The Norwegian Seafood Export Council and a couple of salmon &/or abalone processors from Chile were a couple of notable competitors which were also present. The Marine Stewardship Council also had a booth

at this show, a sign that they are starting to raise their profile in the Japanese market as well as the European and North American scene. The booths were fairly diverse in their size and design with some of the larger retail firms seeming to take up about 8 to 10 standard booth spaces.

The exhibits covered a wide range of subjects including seafood products, various market outlets including trading companies, wholesale distributors, supermarkets and restaurant chains,

processing equipment suppliers including food safety equipment, sausage formers, mixers, freezers, specialized cutting, weighing, vacuum packing &/or bagging machines, packaging systems & materials, special sauces, etc. There were some on-board safety equipment suppliers present but harvesting equipment/technology suppliers were generally absent. There was one supplier of a safety system which automatically cuts the engine and sends out distress signals when there is a man overboard for use on vessels with small crews when only one man may be on board. Tim Joys has additional contact information.

There were no suppliers of leading edge sensing and/or logging equipment (e.g. water column &/or acoustic current profilers, sonar, radar, radio &/or plotter suppliers, etc) and this extended to areas which would seem to be a good fit with the show's overall theme (eg. smart tags which attach to the fish and log time-stamped temperatures from the time of catch and through subsequent transport and processing steps, etc.). Enhanced product quality assurance measures and technologies are being developed with a mind towards the increasing focus on security, sustainability and food safety in many societies these days and some leads to newly available systems, devices and suppliers were anticipated at this show. WI-FI Japan was having a show in an adjacent hall which we also took some time to wander through, but this show was concerned mainly with cell phones, wireless computing and tie ins to miniaturized video systems primarily in the consumer gadgets category. No products of particular interest or application to seafood producers or product quality assurance programs were presented- although some of the very interesting developments in that field will be applicable.

Sea urchin products were on display at only a couple of the booths at the show. These were Japanese companies involved in either the wholesale distribution or retail trades - apparently a couple of the restaurant chains but these companies are not involved in direct importing of product. They pick it up after it has come in through another trading firm- such as Maruha Corp. (est. in 1880 as a seafood company) and Nichirei Corporation (which does not appear to have active domestic sea urchin harvesting or processing interests in Japan). Maruha in particular has extensive apparent interests in Alaska but both companies have Canadian offices in Halifax.

We managed to trade cards and speak with a couple of reps for another firm, the Nichiro Corporation, who indicated that their firm does import seafood directly from a variety of nations around the world but we were left a bit unsure of where in the distribution chain they stand. Nosui Corp. also had a very large booth through which they dispensed a large amount of samples, including a delicious selection of breaded and deep-fried shrimp/prawns. Pamphlets and business cards from these and a number of other companies were collected and will be used to gather up additional internet-based information on the companies to generate leads on potential new customers although the value of many will be limited as most are not published in English.

The use of English is growing in Japan and while few people are fluent speakers there seems to be more ability to read and write in English. A representative of the Hokkaido Producers Association asked that we contact them via email in English so that they could communicate more fully and look for possible collaborative opportunities. The goal here will be to develop additional ties with Japanese producers with an eye to providing them with exactly the sort of sea urchin products they require to maximize their returns as well as to look for other collaborative advantages. These people know the Japanese market better than any other group and may be able to assist with the development of a more prestigious or advantageous profile for BC products in the Japanese market.

To round this out a bit, we were told in a lunch meeting, arranged by Mr. Sung of Vancouver, with a couple of reps from the uni auction section at Tsukiji market that the center of Japanese urchin production and processing is in Nemura on the NE corner of Hokkaido. Production in this



Figure 3: Pre-auction uni show room at Tsukiji Market.

area is about 100 MT/day over a season extending from early November to June each year. They did not have particulars on annual production trends but they did indicate that the processing capacity in the area was more than required for the local production and that imported GSU were processed in this locale. This will be confirmed prior to arranging a visit to the area during the October mission but it may be valuable to directly observe the processing procedures and operations.

One additional point of interest that was discussed in this meeting was the issue of traceability as a significant requirement by consumers in Japan who are increasingly interested in knowing which companies are involved in the production chain, including the identity of the source area and the actual vessel producing the particular tray they are buying. These guys mentioned that Canadian RSU uni is generally acknowledged as very good tasting although the product quality is not always consistent. Sometimes the product is very good in all or most aspects (eg. Good taste, color and consistency but maybe a bit large) followed shortly by another shipment which can only be graded as sub-par in many categories. There are a number of quite significant and apparently self-inflicted economic penalties involved with this situation. We mentioned that a follow-up trip to Japan is planned by BC players in October or so once some product has been shipped to Japan and we can follow the product through the Japanese distribution system.

We also took an opportunity to visit the Tsukiji auction market to view the Uni auction held each day at 0500 hours. We viewed the products for auction for that day in the holding room (Fig. 1), and observed the activity as the auction got underway. Four auctioneers seemed to be calling for about 30-35 bidders so the whole thing became pretty confusing in short order.

We took some time to check the retail prices in a supermarket and a number of small seafood stalls. The price on the first look in the supermarket was ¥1,280 for a small tray with not particularly good quality product. The price the next day for even better product was reduced to about ¥700 vs about ¥250 for scallops - although the unit prices aren't obvious.

Figuring out the margins at the different levels will be very difficult because there does not appear to be any indication of the source on the retail shelves and these prices vary enormously. Recent auction prices at Tsukiji ranged from ¥ 600- 800 for North Korean product to ¥ 1,200 - 4,300 for LA product to ¥1,800 to 13,000 for white Japan uni products. It is difficult to decipher even what the unit prices in terms of ¥/100 g are because of reporting ranges and differences.