Dairy, Egg & Egg Products

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Cheese: Consumption volume outnumbered the previous year for 3 consecutive years

The total consumption volume of cheese for fiscal 2011 marked a record high exceeding 284,000 tons with an increase of 8.8%. Each year outnumbered the previous year for 3 consecutive years. Imported cheese also rose 11.5% to 221,624 tons. This is a result of each company's engagement in market development for new products and proposals. This fall and winter, which is the season of highest demand, there are high hopes to activate the market by strengthening and developing the new products that were introduced this spring. Shredded (mixed cheese) natural cheese (NC) for both business and home use made significant growth supporting the cheese demand for fiscal 2011 since it has a high component ratio of imported cheese, which had a stable price.

Chairman Yoshiyuki Otsuka from Japan Imported Cheese Promotion Association made the following comment during the press conference that was held after the regular general meeting of his association held in June. "As for the consumption expansion, there are possibilities for further growth. By working hard to send the message to the consumers that cheese is profound in lactic acid bacteria, it is possible for the total consumption volume to reach 300,000 tons", Otsuka showed his enthusiasm towards demand expansion.

Since the Japanese cheese market depends on imports by nearly 80%, the market is greatly influenced by international situation. In fact, since the dairy market price made a steep rise from 2007-2008, the Japanese cheese market dropped 40,000 tons, and it is still on its way for recovery. This is due to the low export volume of dairy products in the world. This year, the financial crisis in Europe is creating a sense of uncertainty. Some trading companies are saying that this is similar to the unpleasant feeling of 2007-2008 when the market rates of the dairy products soared. Each trading company feels that it is necessary to keep an eye on the international situation.



Trend of importing companies

Nippon Mycella

~Focusing demand boosting on the younger generation~
As a cheese importing company, Japan Mycella is working hard to increase the consumption of the younger generation. There was a self-refrain for business use cheese due to the influences of 3.11, but demands from hotels were high. Also, they are lowering prices for both business and home use cheese due to the strong yen.

Nippon Mycella is analyzing that the "there is a generation division in consumption environment of the cheese market." While the retired age group desires delicious, high-class cheese, the younger generations that will be shouldering the future do not prefer expensive cheese brands. Nippon Mycella commented, "even if the younger generation cannot purchase expensive products, we hope they can easily purchase imported cheese for a small luxury at a volume seller. The current issue is to think of how to make the younger generation eat more cheese, and we hope to work on sales promotion towards the younger generation."
One example is the brand "Razzle Dazzle," natural cheese from America that the consumers can eat with a reasonable price. The price is 500 yen and they are working to promote sales.

Nosawa

~Cream cheese on a rise~
Australian cream cheese made such a significant growth this term that there was a supply shortage. American cream cheese is also increasing. For Germany cheese, mozzarella and Gouda are doing well. Sales for Dutch cheese were about the same as the previous year. A Gouda cheese brand called Frico is especially increasing its popularity in retail stores. Repeaters for cut cheese are increasing too. In a world cheese exhibition held in Wisconsin, USA, Frico's "Vermeer" became champion. In Japan, Huis Ten Bosch will be having presales and they will gradually expand its sales.

For South America, trade with Chile is strengthening. Supplier's investment towards production facilities is advancing and the production capacity tripled. In the future, the production volume of raw milk per cow is expected to increase. Also, they will be putting power to look for new suppliers.

While strengthening the functions as an importer for a stable supply, Nosawa is putting emphasis to develop domestic demand. As one of their programs, they are developing products and menus for restaurants and side dishes. These efforts bear fruit and led to an increase in sales volume and made an effective mass production system possible. While they lay stress to spread imported cheese to the consumers, they are also working on lactic acid bacteria, rennet, and technology and production facilities for domestic farmers to produce domestic natural cheese.

Shoei Foods

~Aiming for 10% trading volume in cheese~

They mainly handle imported cheese from the US and Oceania in addition to domestic products. Last term, both sales and profit increased. Shredded cheese rose 10% year on year. Products for major bread manufacturers and CVS were especially doing well.

Australian cream cheese "Lactos" rose 10%. Next year, they will change the brand and reintroduce the product. For American cheese, they mainly handle Monterey Jack, but the restaurant industry was hit hard by the 3.11 disaster. A spread type cream cheese from the US called "Raskas" (1.3kg) grew for business use after making proposals for ways to eat it.

Mixed shredded cheese has been continuing to appeal its unique functions to bread manufacturers this term. As for cream, especially the Raskas brand from the US, is a growing field that is trying to appeal towards food services for further growth. Also, Parmesan from Australia is being considered to come up with proposals.