

## Dairy, Egg & Egg Products

July 14, 2011

### DAIRY

The 2010 annual consumption of drinking milk, butter, cheese, and skim milk powder in Japan is the following. Drinking milk is 4,125,000 tons, butter 77,000 tons, cheese 247,000 tons, skim milk powder 160,000 tons, and they are all about the same as the previous year. The annual consumption of butter of one Japanese person is 1/10 of those from France. There are still possibilities of growth. Although our country imports many dairy products such as cheese, products that have secondary taxing like powdered skim milk and butter are controlled.



A liberalized item like cheese depends 80% of its national consumption on imports. The 2010 (January to October) import quantities by country is shown on the graph. Last year, NC (natural cheese) became widely known because of the effects by McDonald's promotion. The American Monterey Jack cheese used in the hamburger, and the strong advertisements helped young people remember the name and know about the tastiness of NC.



There is a movement amongst the consumers where they are taking in cheese dishes that are eaten outside into their own homes. Cheese risottos and cheese fondues are an example. Business use cheese (130,000 tons) is increasing the consumption. Business use cheese made a comeback in confectionery & bread, catering, home-meal replacement, and frozen food. Home use cheese (110,000 tons) are also used to reproduce or arrange the taste of restaurants, and it is widening the "ways of eating." Therefore, cheese is now becoming "one of the ingredients of cooking." Recipes created by the industry professionals are added to this and there are more variations and more use of cheese. It is becoming exciting for consumers to go to stores to buy new types of cheese and

understand the tastiness of NC, so it has a growing number of imports as a cooking ingredient.

On a country basis, Italian cheese is doing well next to American cheese. Grated cheese (such as parmigiano reggiano) and gorgonzola is increasing. A creamy dolce type of gorgonzola that is easy to eat is now being promoted with an addition of the natural type picante. As for new products, Gouda Cheese from Netherlands is popular for its color, taste, and impact. There are 5 different products such as "Basillo Verde" which is a green genovese taste item, a bright red tomato, marmalade, blue cheese, and smoke. They are 680 yen for 100g.

**Import Volume of Cheese (2010 Jan. - Oct.) by Country and Type**

	Fresh (TRQ)	Fresh (Frozen, others)	Grated (process cheese included)	Process cheese	Blue cheese	Others (TRQ)	Others	Total by country	YY (%)
Norway		2,238					6,181	8,419	39.1
Sweden							26,040	26,040	135.6
Denmark	64,320	1,368,985	2,266,609	10,816	198,316	364,480	2,158,635	6,432,161	98.0
U.K.					10,723	102,678	81,005	194,406	104.4
Ireland						1,315,051	571,704	1,886,755	239.9
Holland			2,236	117,091	200	501,731	4,900,606	5,521,864	123.1
Belgium		41,248	11,075				1,721	54,044	64.1
France		503,952	100	4,848,432	112,244	114,422	1,216,287	6,795,437	122.4
Germany	181,156	1,771,663	50,200	3,758	10,951	1,062,141	6,752,584	9,832,453	121.4
Switzerland							498,761	498,761	93.4
Spain					321		17,739	18,060	128.6
Italy		2,405,720	134,753	15,834	310,814	7,245	2,301,023	5,175,389	108.3
Finland						8,245	33,756	42,001	189.6
Austria				36,486	2,800		1,600	40,886	85.8
Canada						94,400	140,439	234,839	48 times
U.S.A.		1,881,058	1,796,742	1,632		773,064	6,173,371	10,625,867	187.6
Brazil		55,387	1,000					56,387	60.1
Uruguay		25,000						25,000	100.0
Argentina		1,816,124					1,777,899	3,594,023	107.5
Australia	4,317,160	30,226,874	750,084	48,007		20,181,007	14,168,178	69,691,310	101.5
New Zealand	1,134,266	8,140,165		663,710		14,916,462	17,599,104	42,453,707	107.0
Others		43,797		12,894			11,395	68,086	
<b>Total</b>	<b>5,696,902</b>	<b>48,282,211</b>	<b>5,012,799</b>	<b>5,758,670</b>	<b>646,369</b>	<b>38,440,826</b>	<b>58,438,028</b>	<b>163,275,905</b>	<b>109.8</b>
<b>YY(%)</b>	<b>119.9</b>	<b>107.3</b>	<b>93.1</b>	<b>117.3</b>	<b>115.0</b>	<b>110.7</b>	<b>111.3</b>	<b>110</b>	
<b>For EU</b>	<b>245,476</b>	<b>6,101,415</b>	<b>2,464,973</b>	<b>5,006,375</b>	<b>643,569</b>	<b>3,475,993</b>	<b>18,064,037</b>	<b>36,001,838</b>	<b>117.7</b>
<b>YY(%)</b>	<b>97.1</b>	<b>103.9</b>	<b>105.6</b>	<b>126.4</b>	<b>115.2</b>	<b>148.8</b>	<b>118.2</b>	<b>117.7</b>	

Source: Ministry of Finance "Import Customs Statistics".