

November 15, 2017

create restaurants holdings inc.

---



*Mr. Gin Hiraki – Senior Manager, Development Department*

*Mr. Naoto Takemori – Products Development Team, Merchandise Division*

*~ Our ideal form of management is supply chain management.*

*We make a deal by communicating directly with the manufacturer. ~*

*Q: Please tell us about your company.*

Since our founding in 1999, we have developed various restaurants from casual food courts to more luxurious ones under a multi-brand-multi-location strategy. As a company in the food service industry with 200 brands, 850 locations, and annual sales of 110 billion yen, we are working on brand development that matches the needs of each area and oversees the overall organization of the company.

*Q: What are the jobs of the merchandise division?*

In restaurant management, there are items that are absolutely necessary, items that necessary depending on the restaurant types, and things that commonly can or cannot be done. For example, frequently used products such as rice, oil, soy sauce are unified within the company. However, each restaurant has concepts, so we do handle products that are only used by one restaurant. Our company has quickly increased the number of restaurants in less than 20 years. The needs change quickly, so our division don't just simply purchase, but carefully determine the way we purchase the products and how it will be delivered to the restaurants.

*Q: How much of your items are imported?*

Looking at the top 100 items sorted by price, products that have most of their final packaging done overseas account for nearly half. Even if we purchase from Japanese manufacturers, the raw materials are imported, so in total, imported items exceed 50%. Main items that are produced in Japan are vegetables and rice, and others are basically imported.

*Q: What do you value most when you are doing business with foreign companies?*

Overseas companies that already have Japanese importers can be somewhat trusted. It's not easy to go abroad and find companies on our own. So, we consider the company size and exporting experience to Japan, Europe and USA. Since hygiene management is conducted under universal standards such as HACCP, we consider certifications like ISO. Certifications are one of the criteria.

Our ideal form of management is supply chain management. We make a deal by communicating directly with the manufacturer. Since we are in partnership with several importers, it is ideal to procure the items through our partners. Even if they already have an importer, we would start business if our needs meet. Whether or not we make direct contact with the overseas company depends on the case. We try to develop our business in the way we intend.

*Q: What are the difficulties when dealing with foreign companies?*

Because we are not working with Japanese people, there is a difference in our values and how we feel certain things. There are issues of time difference, but we are concerned about the promptness of giving responses. For example, some companies think that a week of delay in shipping schedule is not a big problem. However, a week is important for us who are waiting. It is important that they let us know immediately when a delay or problem occurs. This applies to both sides and could be taken as business manner, but mutual trust is important.

*Q: What do you think about the demands of gluten-free in Japan?*

The demand for gluten-free will increase as the Olympic Games are coming up, but I'm not sure if it will continually take root in Japan. Organic and natural products will take root if they are in similar price range as other products. Whether we will regularly buy products that are 20% or 30% higher is questionable.

Currently, we receive requests from commercial facilities that our restaurants are located to feature vegan and halal on our menus. There are demands for those menus in areas where foreign customers gather, such as Roppongi, Ebisu, Harajuku, and Omotesando.

*Q: Please tell us about your goals.*

We are not completely satisfied with the ingredients and cuisines that we are offering and we are always looking for something better. We want to make our customers happy by serving delicious food at a reasonably low cost.

Recently, we are operating more restaurants that serve meat dishes such as steak and shabu-shabu. In terms of beef, the majority are imported from the USA and Australia, but we are interested in other countries too. There are many countries with good products. We would like to try making new deals and break away from the already existing businesses. By expanding our supply source each year, we would consistently like to incorporate a new style of business and start something new.

- End -