

U.S. Specialty Fries Build Presence at Japanese Retail Delicatessens

U.S. specialty fries appeared on party platters and other deli items all over Japan this past winter when the delicatessens of four different retailers took to heart a series of trendy global fry menus introduced during Potatoes USA's trade education campaign. The new menu introductions were part of Potato USA's overall strategy to develop new applications for U.S. potato products in this large and relatively mature market – and thus keep U.S. potato product exports headed up. Thanks to efforts like these, U.S. exports to Japan during the first three quarters of the current fiscal year rose 10% by volume and value. From July 2016 to March 2017, the U.S. shipped 193,308 metric tons of frozen potatoes to Japan; these had a value of \$215 million.

Thanks to years of usage in the fast food sector, U.S. frozen potato products have a strong presence in Japan. However, the shoestring fry continues to dominate, and Japanese foodservice operators and others are not fully aware that adding new frozen potato products can generate new profits. Additionally, many in the food industry continue to lack knowledge about the wide variety of ways to serve U.S. frozen potatoes.

Since Japan's food industry is always interested in new U.S. and global food trends, Potatoes USA took advantage of that interest during a series of MAP-funded seminars/showcases and other trade education activities held during the current fiscal year. Educational activities introduced the "Plus One Fry" concept, which utilizes test marketing conducted the prior year to show how adding new fry products improves profits. Education and communications focused on new trends in serving U.S. fries, particularly seasonal toppings, dipping sauces and loaded fries.

The companies that were exposed to these ideas were then inspired to develop their own menu ideas for their regular menus and Christmas holiday offerings. The results demonstrate good penetration for U.S. specialty fries in the newer distribution channel of delicatessens:

- Aeon Retail is a major chain with 388 outlets across Japan, which was inspired to launch two sizes of a "Karaage" (Japanese fried chicken) set plate with U.S. potatoes, as well as a single menu item of lattice cut fries.
- Yorkmart has 77 outlets in the Kanto area. Its delicatessen added a variety plate including U.S. potatoes with chicken, shrimp and other items.
- Tokyu store is a supermarket chain with 88 outlets in the Kanto area. It added a Christmas holiday plate using U.S. lattice cuts with chicken fries and sausages.
- Y's mart has 38 outlets in Tokyo and Chiba prefectures. It launched two types of delicatessen products called Potato de Dip with mayonnaise sauce and tomato sauce during December. This was the chain's first experience using frozen potato products, due to concerns about the product's ability to maintain quality over time. By utilizing a thicker texture fry, U.S. wedges, they were able to achieve an end-product with which they were satisfied.
- Finally, other additional supermarket chains across Japan also launched deli products using U.S. lattice cuts in December, purchased through distributor Vestey Foods. Vestey Foods reports they sold more than 61 tons (5,000 cases) of lattice cuts to those retailers during December, as a result of Potatoes USA education.