

Japanese Food Makers in China and ASEAN Countries: Key Research Findings 2016

◆ Research Outline

Yano Research Institute has conducted a questionnaire to the Japanese food manufacturers which operate overseas production bases mainly in China and ASEAN countries (including consignment production) regarding procurement and production of ingredients and materials, and final destination.

1. Research period: December, 2016
2. Research target: 61 Japanese food makers which have overseas production bases (including consignment production) mainly in China and ASEAN countries (i.e., Indonesia, Thailand, Malaysia, Singapore, Philippines, Vietnam, Myanmar, and Cambodia)
3. Research methodologies: Interview via telephone (conducted in Japan)

<About Questionnaire to Japanese Food Makers Operating Overseas Production Bases Mainly in China and ASEAN Countries >

This questionnaire has been conducted to the Japanese food makers by means of telephone interviews regarding their procurement and production of ingredients and materials, and final destination at overseas production bases mainly in China and ASEAN countries. This report covers the research and analysis regarding production structures and the quality of the local ingredient and material suppliers.

The ASEAN countries in this research indicate the following eight countries: Indonesia, Thailand, Malaysia, Singapore, Philippines, Vietnam, Myanmar, and Cambodia.

◆ Key Findings

■ **More than 50% of Japanese Food Makers with Their Production Base in Thailand Use Consignment Production**

With regard to the production base of the Japanese food makers in Thailand, the ratio of in-house factories (including affiliated companies) are 40% (6 out of total 15 bases in Thailand,) which is lower than the ratio of contracted factories accounting for 53.3%, the ratio of total 1 Japanese and 7 local contracted factories. It indicates that there are many cases of Japanese food makers that develop business in Thailand use consignment production rather than operating their own in-house factories.

■ **More than 40% Responded that There are Not Many Satisfactory Ingredient/Material Suppliers in China**

To the questions regarding the quality of the ingredient and material suppliers in China, 35.1% of the respondents said that “there are many satisfactory ingredient/material suppliers in China,” whereas 43.2% said that “there are not many.” This indicates that the number of Japanese food makers who feel discontented with the quality of the local suppliers in China exceeded those who don't.

◆ **Report Format:**

Published report: “Strategies of Japanese Foods Companies at ASEAN/China on Supply, Procurement, and Manufacturing Commissioned 2017”

Issued on: January 19, 2017

Language: Japanese

Format: 203 pages in A4 format

Price: 150,000 yen (The consumption tax shall additionally be charged for the sales in Japan.)

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■ **Table 1: Production Structure of Japanese Food Makers at Overseas Production Bases by Nation/Region**

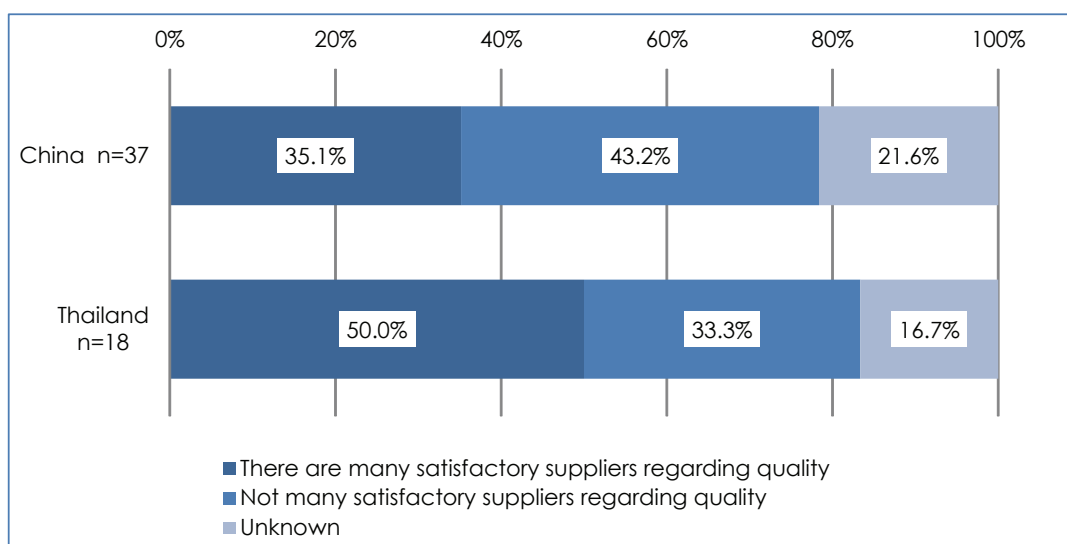
	In-house Factories at Relevant Countries	Japanese Contracted Factories at Relevant Countries	Local Contracted Factories at Relevant Countries	Foreign Affiliated (Third-Country) Contracted Factories at Relevant Countries	Others (Merged Companies/Joint Ventures)
China n=35	22	0	12	0	1
Thailand n=15	6	1	7	0	1
Vietnam n=4	2	0	2	0	0
U.S.A n=6	6	0	0	0	0
Malaysia n=3	3	0	0	0	0
Indonesia n=2	1	0	1	0	0
South Korea n=2	1	0	1	0	0
Singapore n=1	1	0	0	0	0
Hong Kong n=1	1	0	0	0	0
India n=1	0	0	0	0	1
Others n=6	4	0	2	0	0
Overall n=76	47	1	25	0	3

Created by Yano Research Institute

Notes:

1. Research Period: Mid December, 2016; Research Target (Aggregation Target): Aggregated the data on 76 overseas production bases (maximum 2 bases per company) of 61 Japanese food makers which have overseas production bases (including consignment production) mainly in China and ASEAN countries; Research Methodologies: Interview via telephone (if the company has multiple overseas bases, the company responded to the questions for each of the bases)

■ **Figure 2: Quality Assessment of Local Ingredients/Materials Suppliers in China and Thailand**



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Notes:

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