

WEBINAR: Norsk makrell i Japan & Sør-Korea

27.september, 2018. 10:00 – 10:30

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Japan



Makrellseminar Tokyo, 11. April 2018

<https://www.2018sabaseminar.com/>



Choshi, 10. April 2018



Kampanjeperiode 1, Japan



JISTE, 22-24 august 2018



Number of Shipment : SFN Generic + Customized Sticker

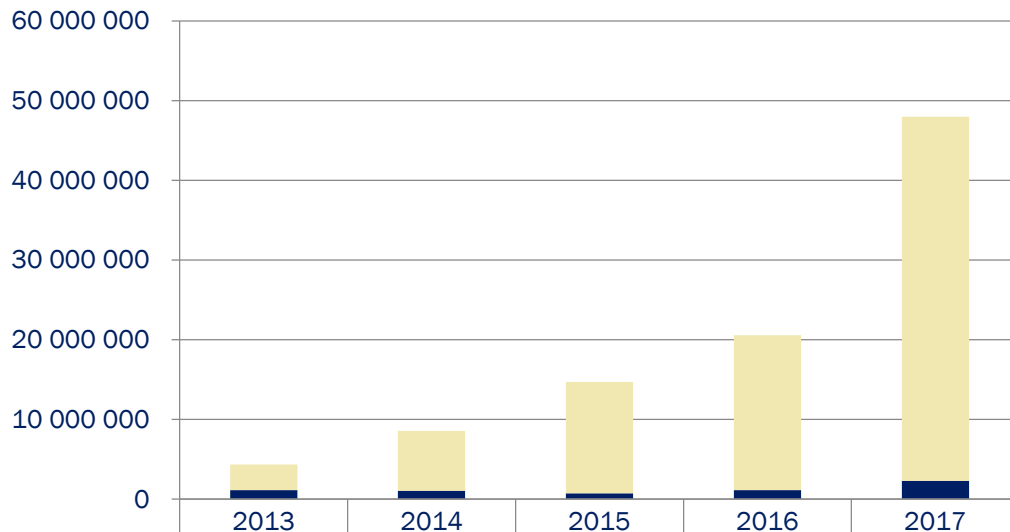


233%

* Comparison of the previous year

NORGE AND SFN logo stickers have increased. Positively affected by the renewal of design. The amount used is close to double from the second half of one year.

Usage of customized stickers increases every year.

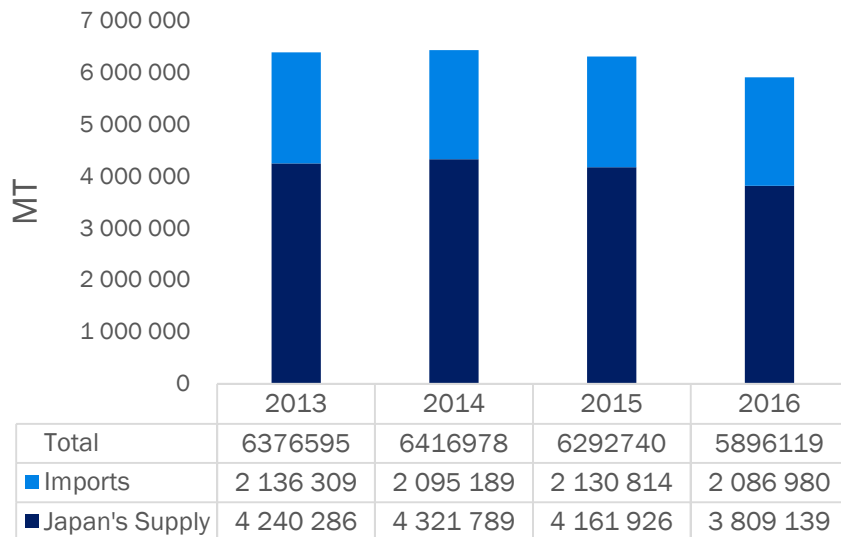


	2013	2014	2015	2016	2017
Customized Sticker	3 238 000	7 510 000	13 990 683	19 454 145	45 688 423
NORGE and SFN Generic	1 126 000	1 077 500	737 000	1 129 000	2 315 000

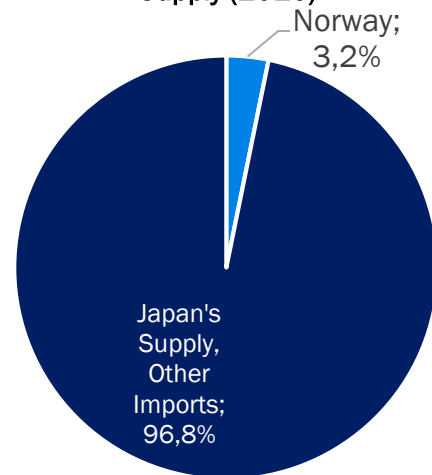
Total Supply in Japan / Norway's Share (2016)

Of the total seafood supply in Japan, 35% was imported in 2016

Total Seafood Supply in Japan (Japan's Supply + Imports)



Norway's Share within the Total Seafood Supply (2016)

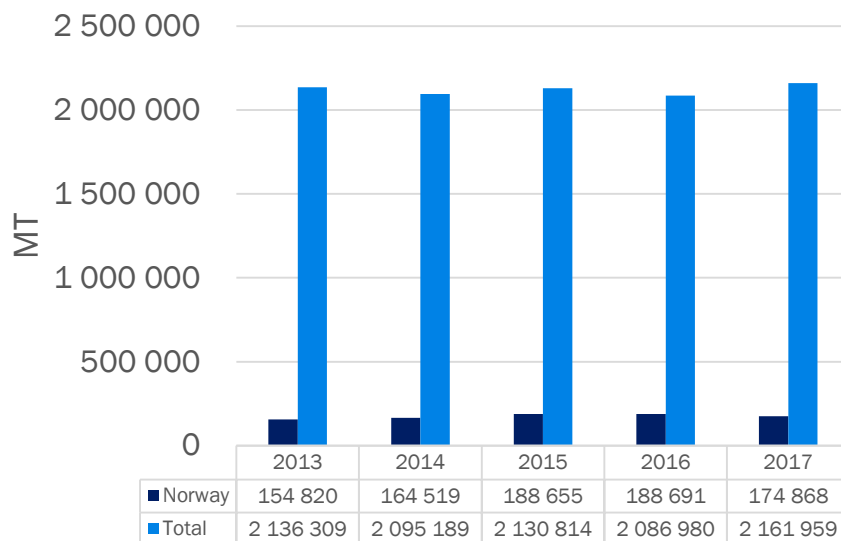


Volume (2016) 5,896,119 MT
Norway's Volume (2016): 188,691 MT

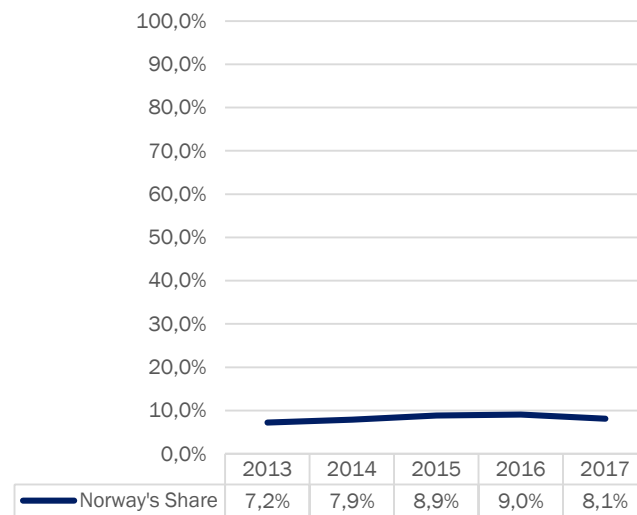
Norway's volumes/share among other imports have been flat

The import volumes have been flat, at the same time, Norway's volume and its share among the imports have been flat as well.

Japan's Seafood Import Volumes (2013-2017)



Norway's Share of Total Seafood Import Volumes (2013-2017)

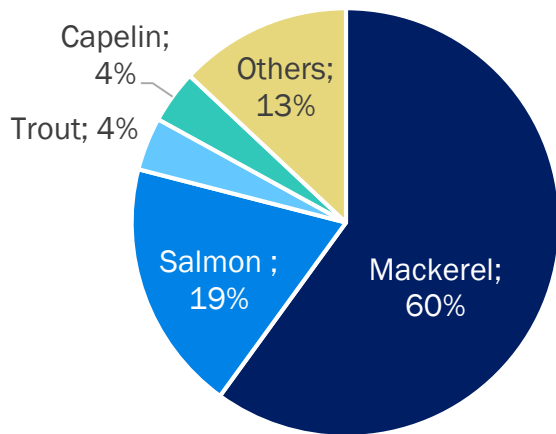


Source: Trade Statistics of Japan Ministry of Finance

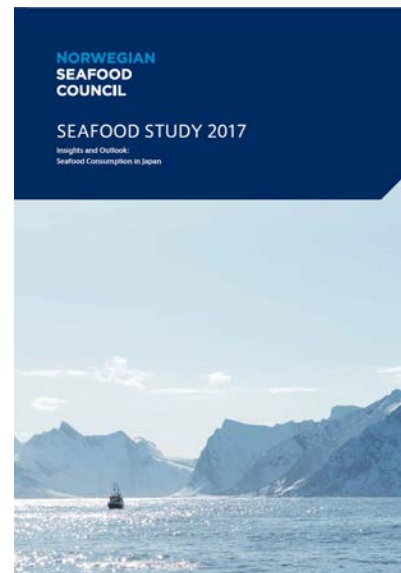
Japan Imports from Norway – Mackerel dominates in volume (2017)

Japan imported approximately 174,868 MT of Norwegian seafood in 2017 which was worth 104 billion JPY. Mackerel accounted for approx. 60% of the volume and 32% of the value.

Japan's Import of Norwegian Seafood (2017)

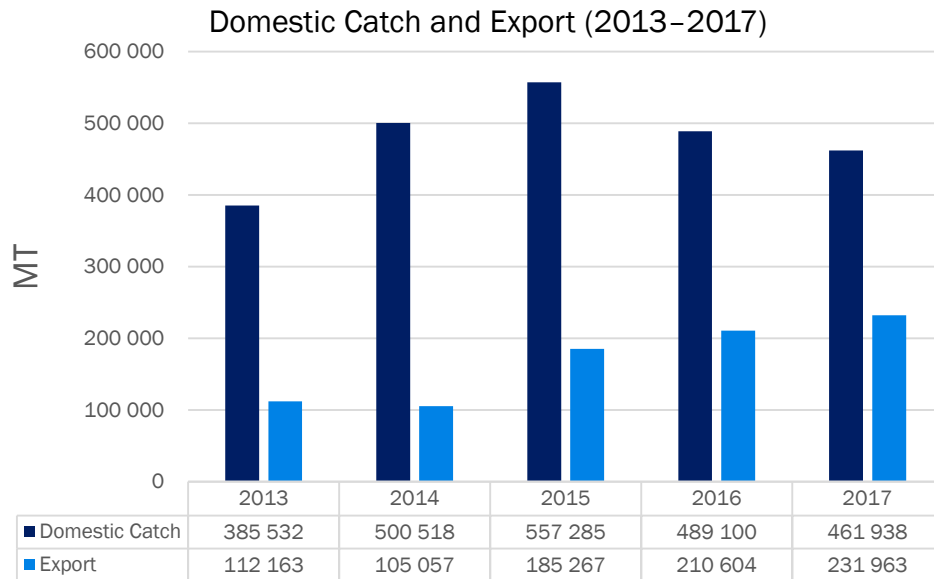


Total Volume (2017) *: 174,868 MT * Product Weight

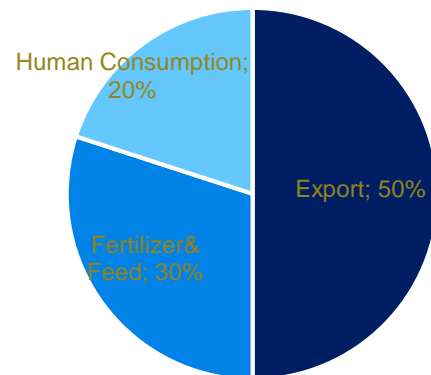


Trend – Decreasing volume of large Japanese mackerel

- In the past three years, domestic catch has been decreasing however export has been increasing (export in 2017 was more than twice of 2014); this was primarily due to the lack of large mackerel.
- Of the domestic supply, approximately 50% was for export, 20% for human consumption and 30% fish meal and fertilizer



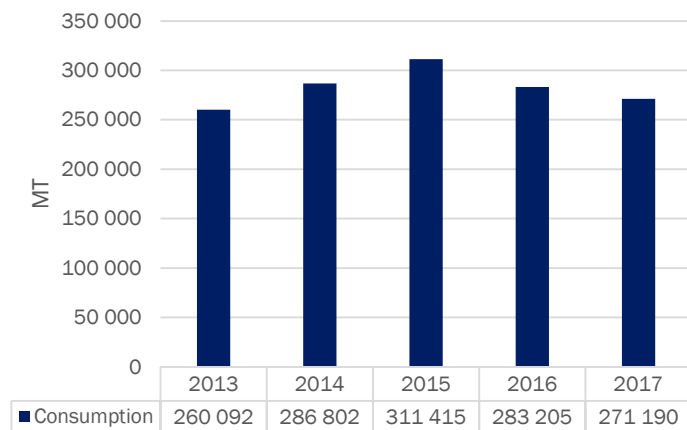
Domestic Mackerel End Use Share (2017)



Norwegian Mackerel has strong position in Japan

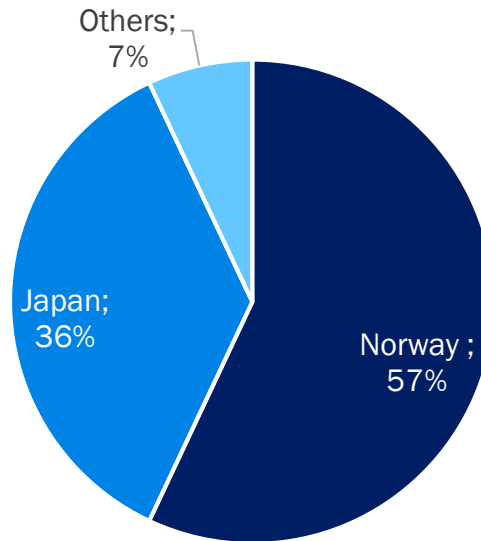
- In 2017, mackerel consumption in Japan was approx. 271,000MT
- Stable consumption overall but a decrease close to 2013 på 260,000.
- Norway supplied approx. 152,000 MT (WFE), which accounted for 57% of mackerel supply*.

Japan Mackerel Consumption (2013-2017)



Source: Ministry of Finance, Ministry of Agriculture, Forestry and Fisheries, Promar Consulting

Mackerel Market Share, by Country (2017)

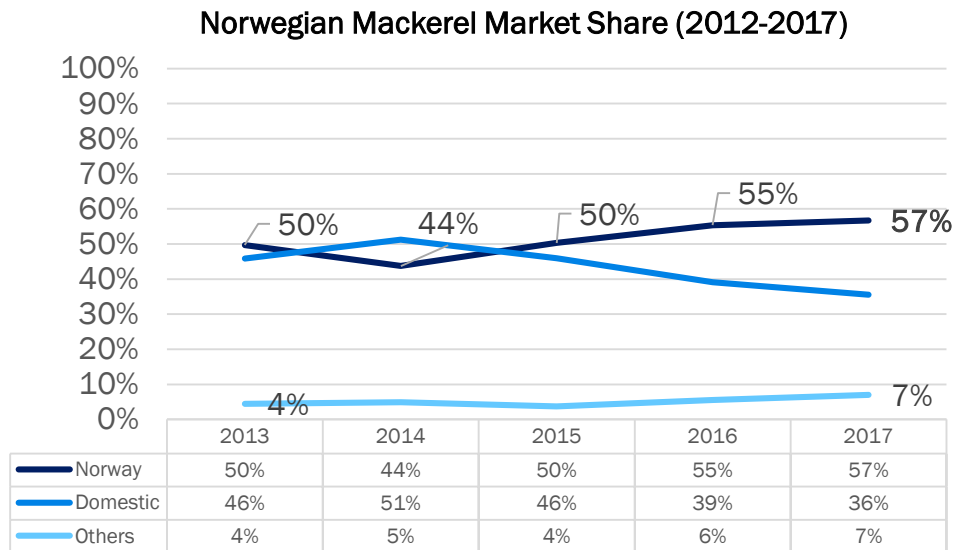


Mackerel Supply (2017)*: 267,898 MT (WFE)

*Supply (267,898 MT) + Change in Cold Storage (3,292 MT) = Consumption (271,190 MT)

Growing market share despite increased competition.

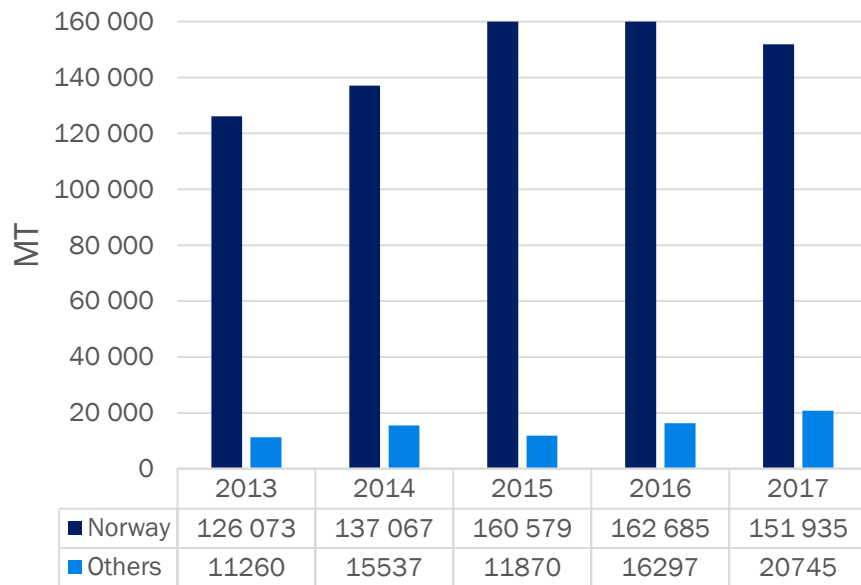
- Norway's share increased annually since 2014; Norway's share in 2017 was at the highest level.
- Domestic share suffers a sharp drop since 2014 due to the lack of large mackerel catch.
- Other supplying countries are slowly growing their share in the past three years (from 4% in 2015 to 7% in 2017).



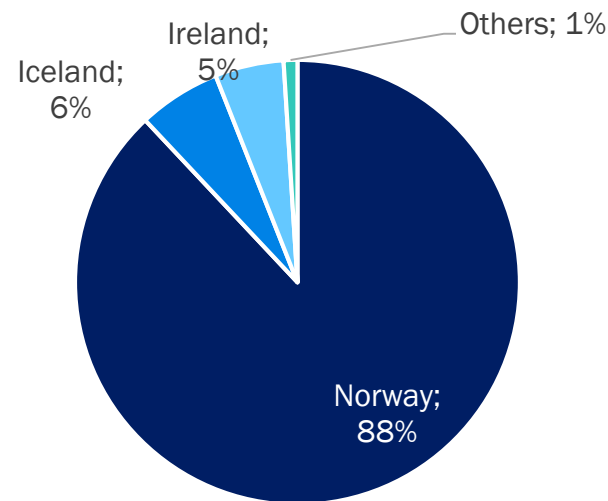
Import Analysis – Norway account for approx. 90% of import

- Norway continues to be the largest supplier of mackerel to Japan, but other countries, mostly notably Iceland and Ireland, have showed growing trends since 2015 (Iceland: 4,000 MT in 2015, 9,000 MT in 2017)(Ireland: 3,000 MT in 2015, 8,000 MT in 2017).

Japan's Mackerel Import Volume* (2013-2017)



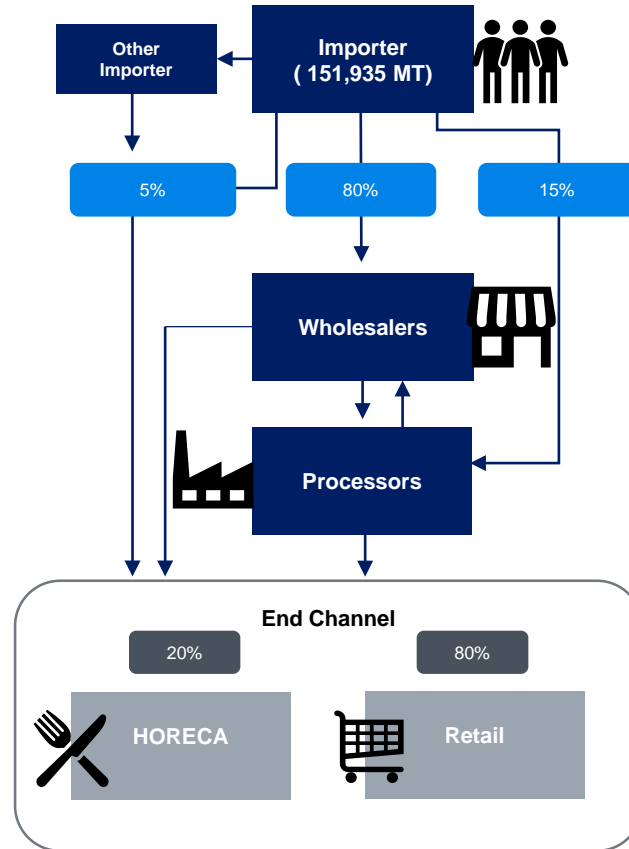
Import Shares by Country (2017)



Import Volume*: 172,680 MT (WFE)



Distribution



- There are more players entering the mackerel business as the supply for other fish such as horse mackerel, saury, Atka mackerel has been low.
- Wholesalers continue to play an important role in the mackerel distribution; they have strong network across the country and efficient delivery system (end channel outlets are too fragmented for importers to distribute efficiently).

Common Norwegian Mackerel Products in Retail



Salted Mackerel



Miso Mackerel



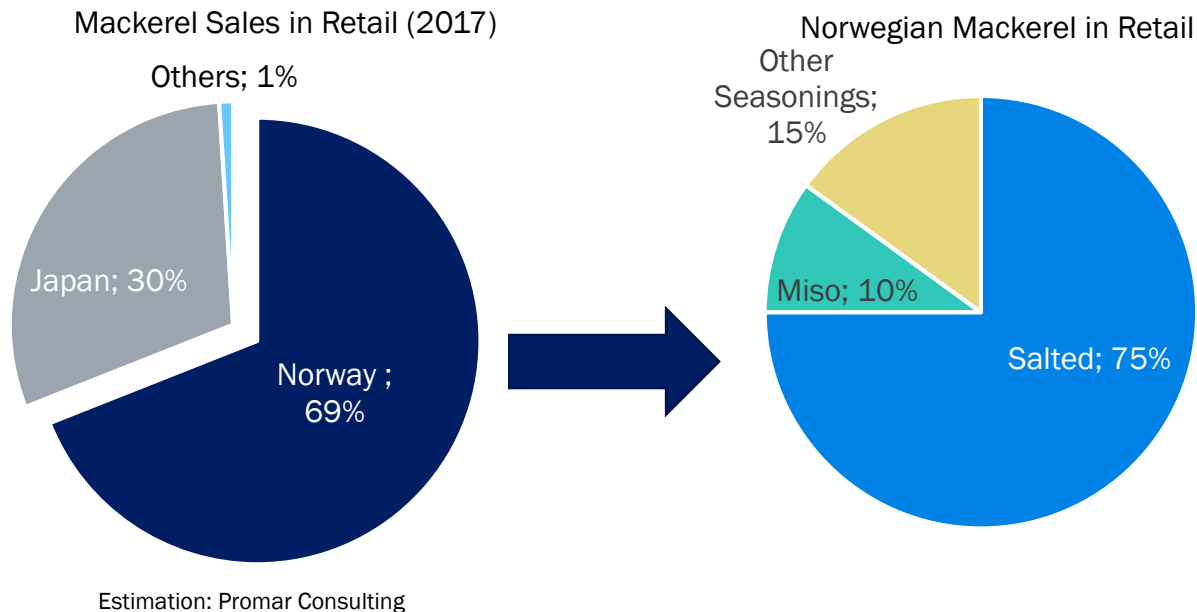
Vinegar Marinated (*shime*)



Sweet sake marinated (*mirin*)

Of Norway's mackerel, salted mackerel is the main product in retail

- Of the mackerel sales in retail, Norwegian mackerel account for approx. 70%



Retail Trend: Value-added products are increasing

- Most value-added mackerel products use Norwegian mackerel

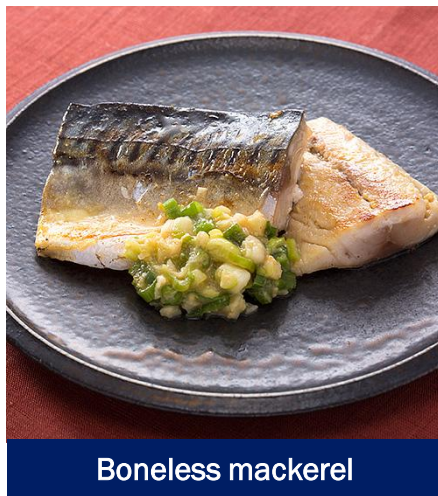
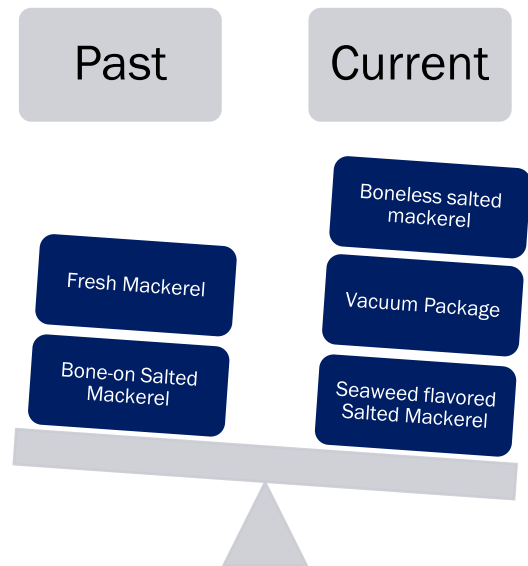


Image of mackerel is increasing in HORECA

- ♦ Mackerel, typically known as a low-end fish in Japan, enjoys a higher profile now in HORECA.
- ♦ “Mackerel sandwich” and high value-added products (e.g. smoked-in-ash mackerel) are served in trendy cafés and higher-end restaurants.
- ♦ Atlantic mackerel is favored due to its high fat content and consistency in quality.



Atlantic mackerel's high fat content match well with ingredients in the mackerel sandwich.



Smoked-in-ash mackerel requires much attention in the processing stage.



GQ As popularity of Saba Sandwich grows, many restaurants and cafes start to offer the sandwich now.



Tokyo Calendar Saba Sandwich is recommended as "goes well with beer" in featuring articles on sandwiches.



Saba Sando at Costco
Started reinforcement program at Costco from 2016. Mackerel sandwich tasting was a huge success. Also in March 2017, premium Norwegian salted mackerel sandwich was introduced as a part of new products line.

Mackerel Sandwich with Lemon pepper mayonnaise
Price : 11,280



The series starts with mackerell!

Sakaiya Asahi, is Japanese style bar in Osaka, presents their most popular menu, grilled Mackerel. The owner, Koen Akashi, explains the Norwegian Mackerel is the best for grilling.



Nikkei TRENDY digs into the success of Norwegian Seafood in Japan. Featuring Saba-Sando



Coming period

- ◆ “Saba Summit” 27/10
- ◆ Media Campaign, fall 2018
- ◆ In-Store program 2018

Hokkaido - Okinawa, 23 retailers

- ◆ Mackerel Seminar 2019..!

May/June – timing to be set with industry

Fuji Sankei Group Advertisement Award:

Selected from campaigns in 2017 in TV, Newspaper, Radio, Magazine and Digital. Awarded to Panasonic, Amazon Japan and Kikkoman. We won the best creative campaign in magazine.

Award ceremony 10.April 2018



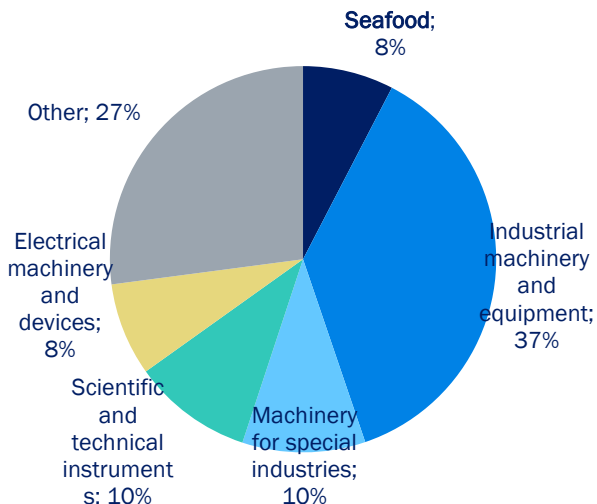


South Korea

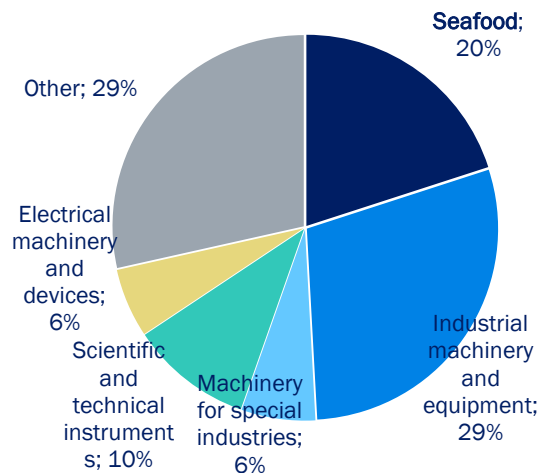


Norwegian export to Korea – Seafood is the fastest growing category

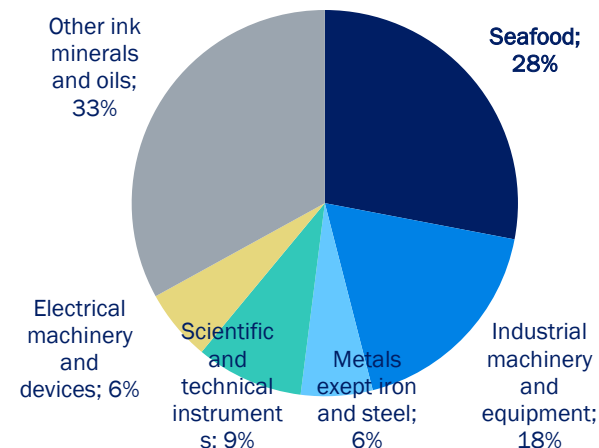
2015



2016



2017



Note: Numbers are based on export values (rather than volumes).

10%

Expected increase
in seafood
consumption
towards 2025*

*FAO 2016

NORWEGIAN
SEAFOOD
COUNCIL

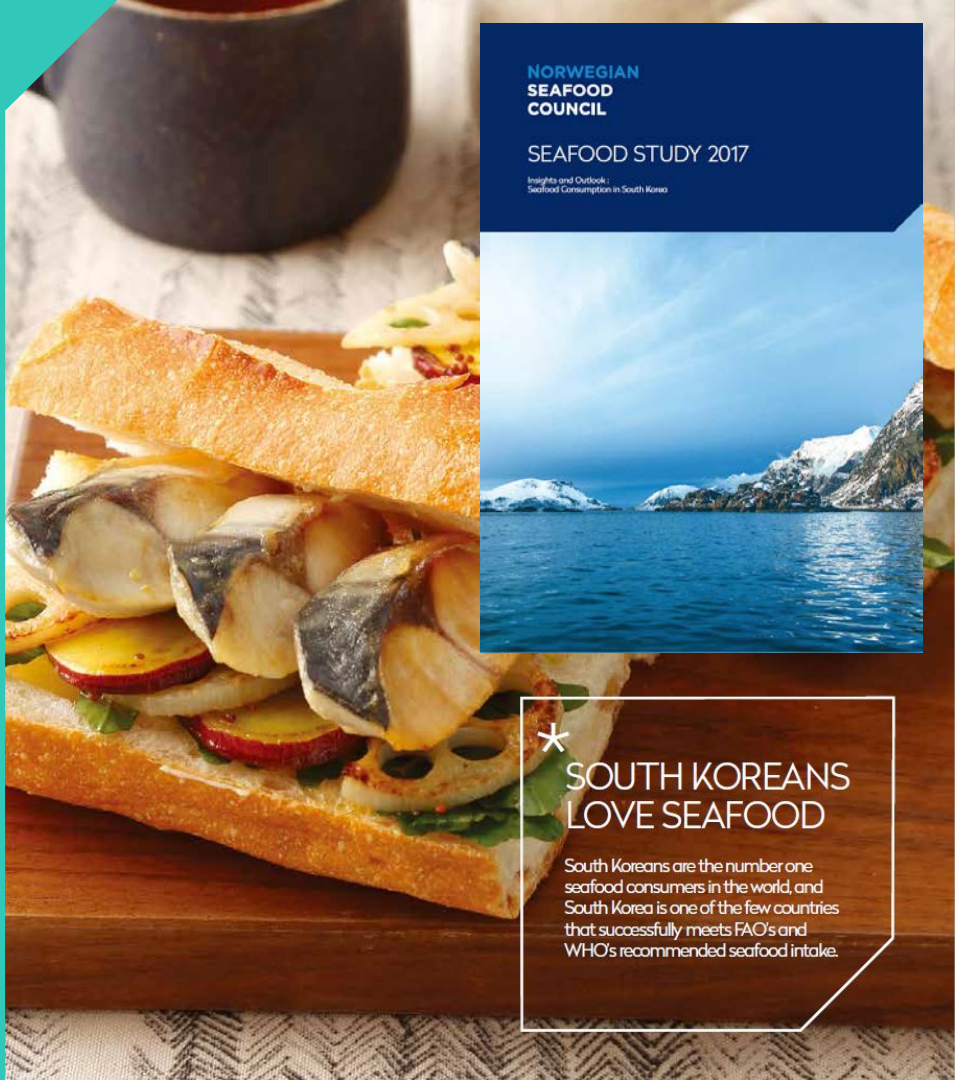
SEAFOOD STUDY 2017

Insights and Outlook:
Seafood Consumption in South Korea



SOUTH KOREANS LOVE SEAFOOD

South Koreans are the number one seafood consumers in the world, and South Korea is one of the few countries that successfully meets FAO's and WHO's recommended seafood intake.



Kampanjeperiode Vår 2018, Seoul



Vinter-OL, Seoul 15. februar 2018



Media Roundtable, Seoul, 11. juli 2018



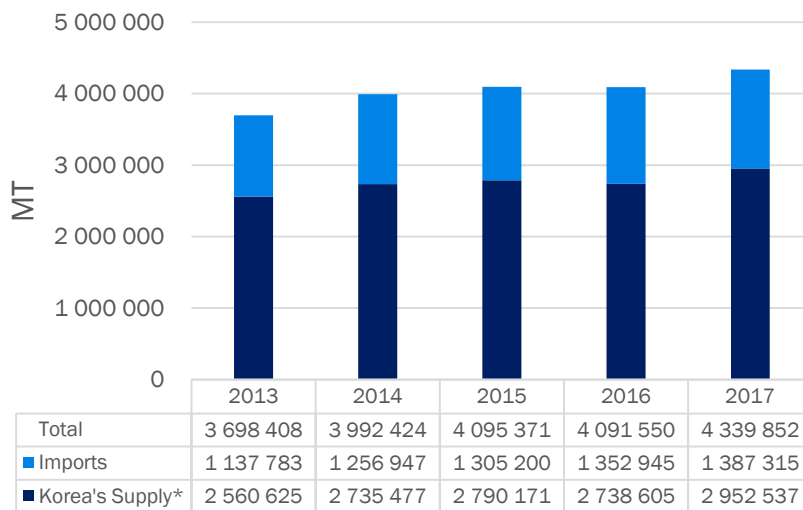
Vinter-OL, Seoul 15. februar 2018



Total seafood supply in Korea has been Increasing

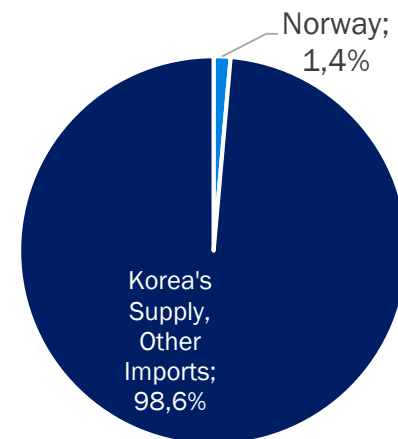
- ◆ The total seafood supply has increased by 17% from 2013 to 2017 (approx. 641,000 MT increase): both domestic supply and imports showed increasing trend.
- ◆ Of the total seafood supply in Korea, 32% were imported in 2017.
- ◆ Norway's supply of 61,411 MT (product weight) accounted for 1.4% of the total seafood supply in Korea in 2017.

Total Seafood Supply in Korea (Korea's Supply + Imports)



*Korea's Supply = Domestic Catch + Farmed - Export

Norway's Share within the Total Seafood Supply (2017)



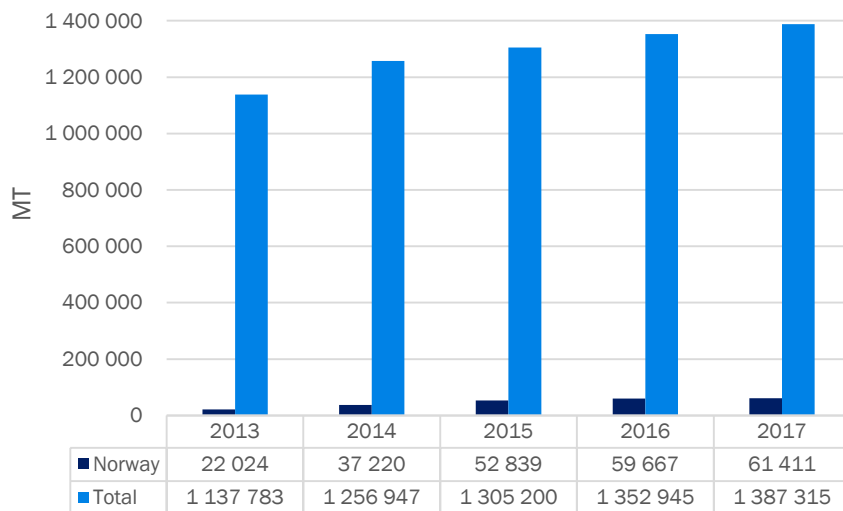
Volume (2016) 4,339,852 MT
 Norway's Volume (2016): 61,411 MT
 (Volumes are in Product Weight)

Source: Korea Customs and Trade Development Institute (KCTDI), Ministry of Oceans and Fisheries

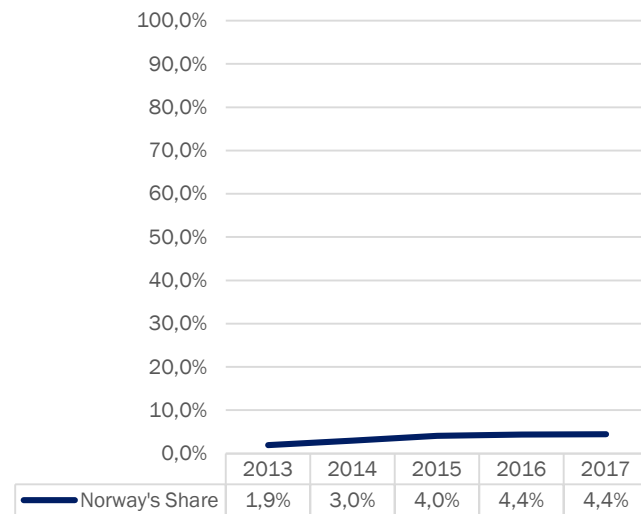
Norway's seafood volume was at a high point in 2017

- ◆ In terms of seafood import, Norway was the fourth largest supplier to Korea behind China, Russia, and Vietnam.
- ◆ Norway's volume in 2017 was 2.8 times larger than the supply in 2013; its largest volume ever.

Korea's Seafood Import Volumes (2013-2017)



Norway's Share of Total Seafood Import Volumes (2013-2017)

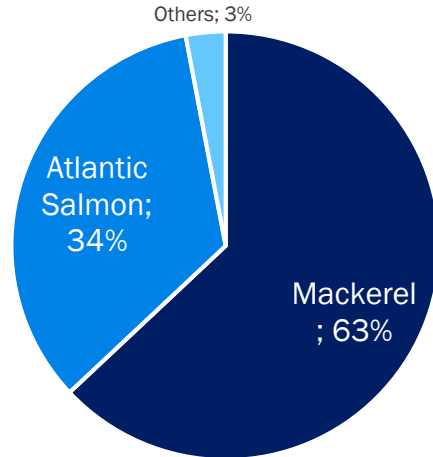


Source: Korea Customs and Trade Development Institute (KCTDI), Ministry of Oceans and Fisheries

Mackerel is the leading product from Norway to Korea in terms of volume

- ◆ Korea imported approximately 61,411 MT (product volume) of Norwegian seafood in 2017 which was worth 380 billion KRW. Mackerel accounted for 63% of the volume and 23% of the value.

S. Korea's Import of Norwegian Seafood (2017)



Total Volume (2017): 61,411 MT

Mackerel, Korean "Jorim" style

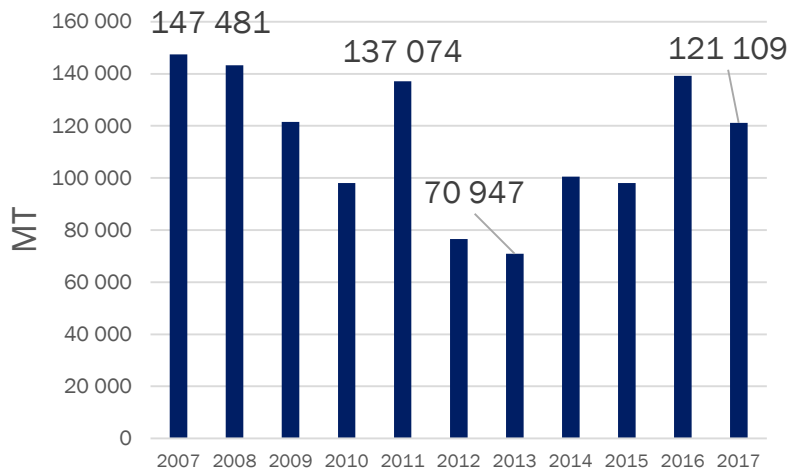


Photo Credit: "Maangchi," Korean cooking site

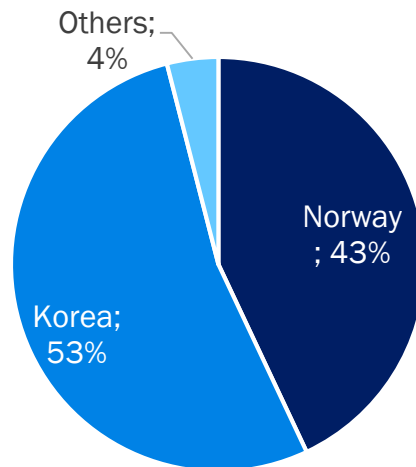
Consumption of mackerel had a large fluctuation

- ♦ In the past decade, mackerel consumption has fluctuated in a U shape.
- ♦ Norway currently has the second largest share in Korea

Korea Mackerel Consumption (2013-2017)



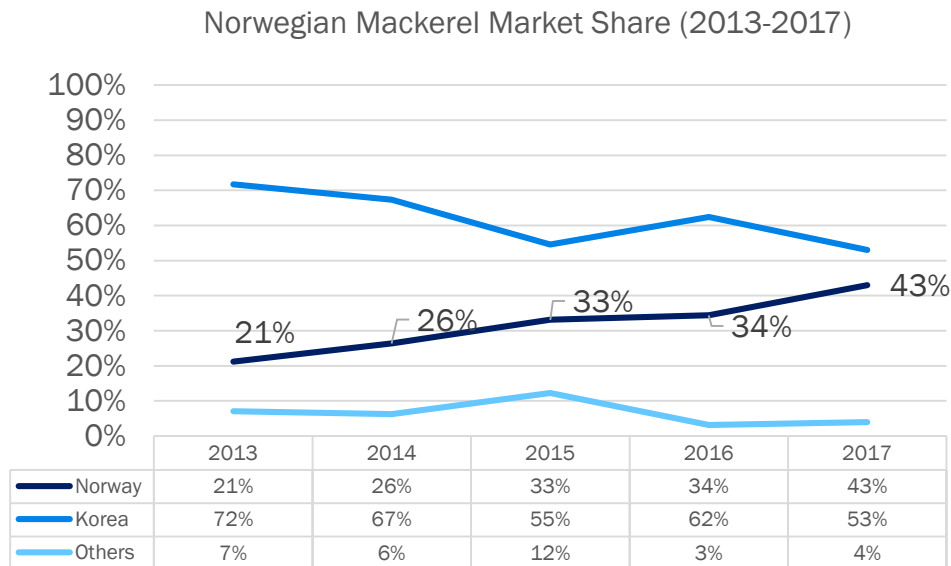
Mackerel Supply by Country (2017)



Mackerel Supply (2017) : 93,569 MT

Norway's share in the Korean mackerel market (2013 – 2017)

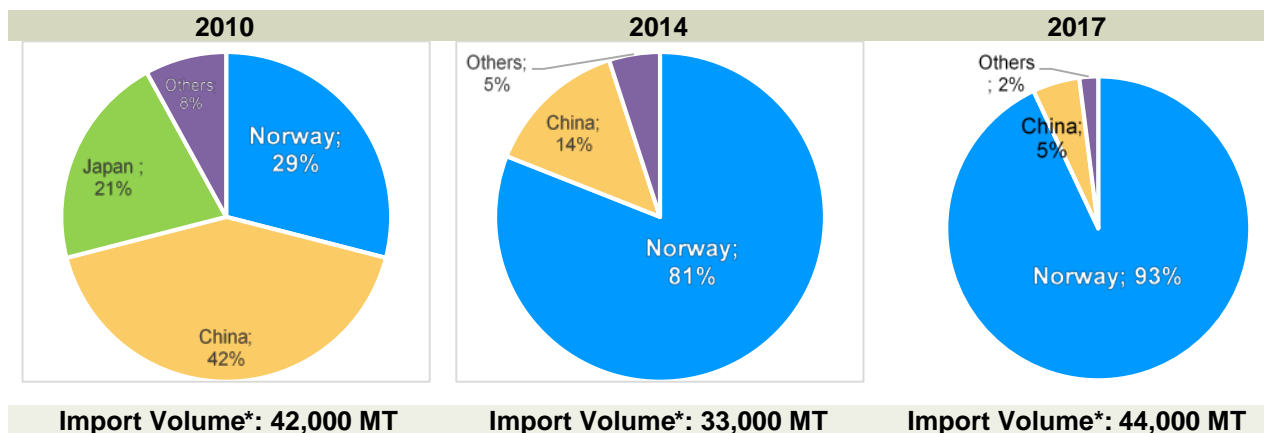
- Norway's shares have increased annually, from 21% in 2013 to 43% in 2017.



Norway is the dominant supplier with 93% share

- ♦ Japan delivered mackerel prior to Fukushima
- ♦ China used to be a larger supplier, but due to the lack of large mackerel catch, they are no longer a strong player in Korea. Consumption is expected to increase in China

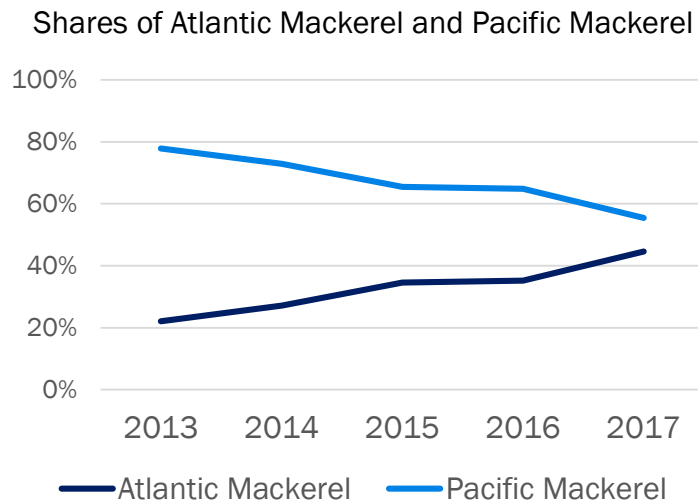
Mackerel Share by Country (2010 – 2014 -2017)



*Round to the nearest 1,000

Trend: Atlantic Mackerel supply has been increasing

- The mackerel market is moving from Pacific mackerel to Atlantic mackerel
- Both Korea and China's catch (Pacific mackerel) of large mackerel have been dropping;
- A large number of consumers recognize Norway as a supplier of mackerel, and many prefer Norwegian product over domestic product according to industry players.
- HORECA which had used Korean mackerel in the past are starting to use Norwegian mackerel; consistency in size, supply and the better taste



Main Mackerel Supplying Countries (2017)

Atlantic Mackerel	Pacific Mackerel
Norway (40,511 MT)	Korea (49,857 MT)
UK (629 MT)	China (1,981 MT)
Iceland (23 MT)	Japan (20 MT)

Source: Korea Customs and Trade Development Institute (KCTDI)



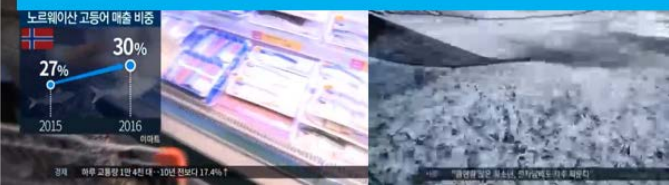
<Norwegian resource management leads to global competitiveness.>



<Norwegian mackerel imports increased 73%>
 "해임 부장검사 비위 17건...징계 확정시 3년간 변호사 불가" 원전비 1074.61 ▼ 15



<Norwegian mackerel takes over the Korean market>



북유럽의 노르웨이는 저잡고 깨끗한 북해 바다에 접해 있는 바다 자원인 고등어 어업을 위한 최상의 자연조건을 갖고 있다. 이런 노르웨이도 한때는 심각한 남획 현상까지 일어났지만 결국 체계적인 수산자원 관리 정책을 도입했다. 그 결과 최고 배당으로 우수한 수산물을 생산해 세계 2대 수산물 수출 대국으로 등극할 수 있었다.

최신기사

노르웨이 고등어 수입점유율 90% ↑ ... "영향력 심각 우려"

송고시간 | 2018/05/06 06:11



국산 고등어 생산 5년래 최소...내수수출 모두 위기



<Norwegian mackerel share 90%>

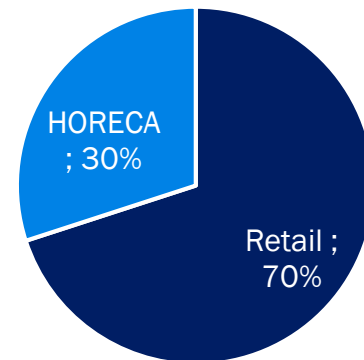
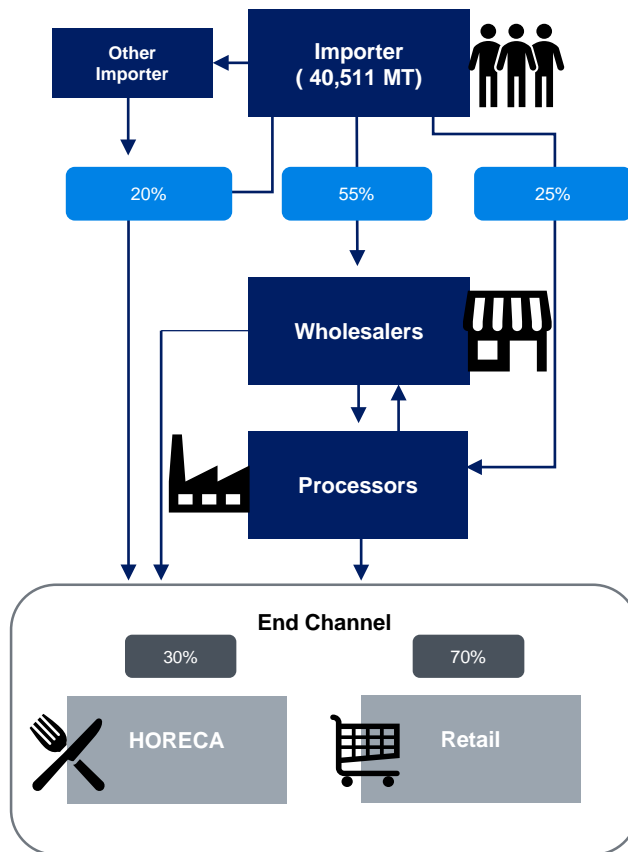
[연합뉴스 자료사진]

(서울=연합뉴스) 조성흥 기자 = 노르웨이산 고등어가 1분기 수입 고등어 시장 점유율 90%를 돌파하며 빠르게 내수 시장을 잠식하고 있다.

Distribution



HORECA, that had primarily used Pacific mackerel, are switching to Norwegian mackerel favoring its consistency in size and quality

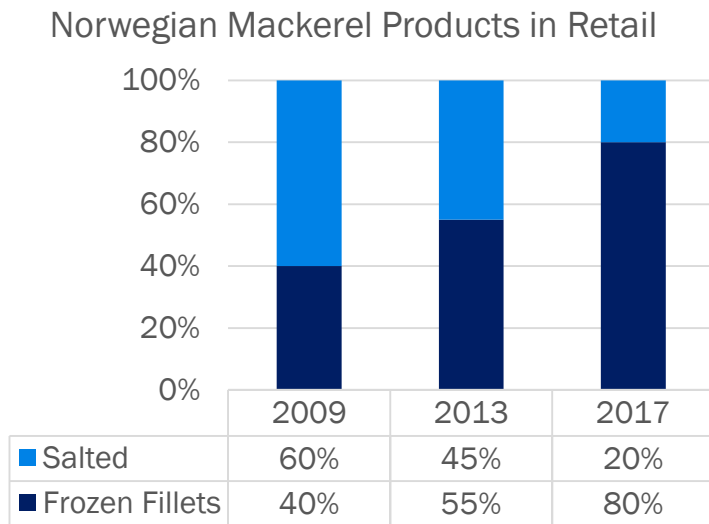


Norway Volume (2017): 40,511 MT (WFE)

The total sales of mackerel in retail has been stagnant, however Norwegian products, especially frozen fillets have increased in sales.

There are primary 2 products Norwegian mackerel products:

1) Frozen Fillets and 2) Salted mackerel

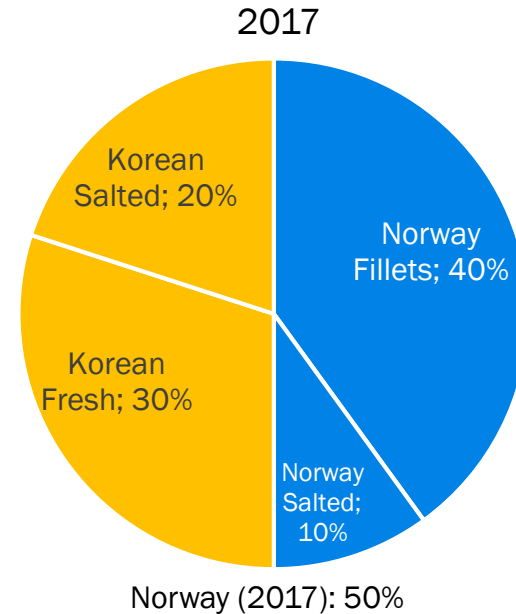
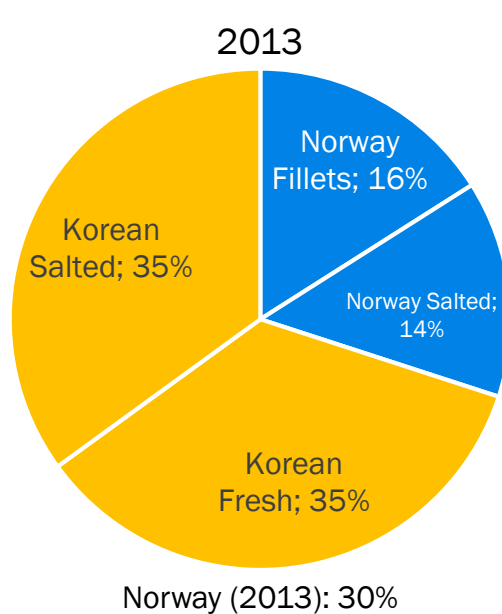


Trend: Frozen fillets > Salted mackerel
Frozen fillets are trendy, they are convenient to use and considered healthier than salted mackerel

- 1) Can be cooked in many different styles: grill, stew, etc.
- 2) Can be stored for a long period of time.
- 3) Volume per serving is flexible.
- 4) More healthy (less salt).

In large retail chains, Norwegian mackerel account for 50% of the sales

- Norwegian mackerel gaining more shelf space in large retail chains.
- Retailers have noted that more consumers are recognizing Norway as a supplier for mackerel and many consumers actually prefer Norway over Korean mackerel.



Retail Trend - Online

- Value added products such as precooked mackerel and boneless mackerel are slowly increasing. These products are primarily sold online.
- Of the mackerel sales in retail, an estimated 3-5% are online sales.



Boneless Mackerel sold in online stores (vacuum packed)



The primary target for boneless mackerel is children

Coming period

- ◆ “BISFE” 31/10 – 2/11
- ◆ Media Campaign, fall 2018
New digital campaign
- ◆ In-Store program 2018
Seoul – Busan, 5 major (all) retailers
- ◆ Mackerel Seminar 2019..!
May/June – timing to be set with industry



Appendix – Toll/Tariffs

Product	Japan	Korea
Mackerel frozen	7% / 10%	0%*
Salmon, frozen	3.5%	0%
Salmon, fresh	3.5%	0%
Trout, Frozen	3.5	0%
King crab	4%	0%
Snow crab	4%	0%

*Tariff quota 500 Tons, (MFN applies after(10%))

Korea and Japan Market Comparison (2017)

	Korea	Japan
Mackerel Consumption	121,109 MT	271,190 MT
Norway' Volume (WFE)	40,511 MT	151,935 MT
Norway's Share	43%	57%
Main End Channels for Norwegian Mackerel	Retail 70% Food Service 30%	Retail 80% Food Service 20%
Main Products for Norwegian Mackerel	Fillets 80% Salted 20%	Salted 80% Miso 10% Mirin 5% Other 5%

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