APEC Seminar on Food Value Chain to Foster the Rural Urban Development in Asia Pacific Region

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Cold Chain Logistic Service

Nichirei Logistics Group Inc.
Overseas Business Development Division

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Executive Officer
1. Corporate Profile

Nichirei Corporation
—Holding Company—

- Nichirei Foods Inc.
  Processed Foods
- Nichirei Fresh Inc.
  Marine & Meat and Poultry
- Nichirei Logistics Group Inc.
  Logistics
- Nichirei Biosciences Inc.
  Biosciences

**Overview of Nichirei Group**

- Paid in Capital: $269 Million
- Net Sales: $4.75 Billion
- Operating Profit: $192 Million
  (FY2015) ※ @ JPY 112.68/$
- No. of Employee: 14,118
2. What is Cold Chain

Cold Chain:
The seamless temperature controlled logistics from original points to destinations. This is quite important infrastructure for our dietary life.
3. Function of Cold Chain

1. Keeping Perishable Food Quality and Safety

2. Gap Filling between Production area and Consumption area
   - Geographic Shift
     - > Widening Market

3. Gap Filling between Supply and Demand
   - Time Shift
     - > Price stabilization

4. Food Loss Reduction

5. Promotion of new Food Processing Businesses
4. Coldstore Development in Japan

Increased Diffusion of Household Refrigerator

Increased Diffusion of Household Microwave
5-1. <Public Sector> Legislation / Maintenance of Law

- Refrigerated warehouse facilities related
  - Warehousing Business Act
  - Fire Services Act
  - Building Standards Act
  - Ports and Harbors Act
  - High Pressure Gas Safety Act
  - Electricity Business Act
  - Urban Planning Act

- Food industry related
  - Food Sanitation Act
  - Plant Protection Act
  - Act on Standardization and Proper Labeling of Agricultural and Forest Products
  - Act on Domestic Animal Infectious Diseases Control
  - Customs Act

- Transportation industry related
  - Road Transportation Act
  - Road Transport Vehicle Act
  - Act on Service of Cargo Transportation by Automobiles
  - Cargo Forwarder Service Act

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5-2. <Public Sector> Legislation / Maintenance of Law

- Improvement of business environment
  - Act on Promotion of Food Marketing Structure Improvement
  - Act on Advancement of Integration and Streamlining of Distribution Business

- Environmental protection related
  - Factory Location Act
  - Basic Environment Act
    - Act on Promotion of Global Warming Countermeasures
    - The Basic Act for Establishing a Sound Material-Cycle Society
    - Act on Promotion of Creating Recyclable Society and Food Recycling
    - Law on Recovery and Destruction of Fluorocarbons

Timeline:
- 1945
- 1950
- 1960
- 1970
- 1980
- 1990
- 2000
- 2010
6. Private Sector Industry Associations in Japan

Role of Industry Associations
- Policy proposal
- Dialogue with governments
- Establishment of industry-standard / rule
- Development of industry statistics
- Public relations

Typical Industry Associations
- Japan Association of Refrigerated Warehouse
- Japan Frozen Food Association
- Japan Trucking Association
- Japan Business Federation “Keidanren”
- Japan Association of Corporate Executives
We meet the various needs of our customers with the service covering all of Japan.

- **STORAGE Service**
  - Cargo storage with excellent temperature control and high security

- **PROCESSING Service**
  - Shock freezing to ensure food quality

- **FORWARDING Service**
  - Specialized Customs Clearance service for foods incl. Veterinary Check

- **High Performance Thawing Machine**
- **Cutting, repacking etc.**
Transfer Centers (TC) are temporary storage type logistics centers. Due to the elimination of multiple deliveries, the total transportation mileage is reduced. This system provides cost savings and environmentally friendly logistics.

6 × 6 = 36 deliveries

6 + 6 = 12 deliveries
16. Our Coldstore Location in Japan

- 77 Distribution Centre
- 34 Transfer Centre
17. Our Global Operation

12 Coldstores in Europe, 2 in Asia

Operating in 13 countries
Thank you for your attention