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Mexican banana exporters set their sights on China



Plating up the right produce

While Japan's fruit consumption is on the decline, there is a growing market for easy-to-eat and great-tasting premium products

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REPORT

—Production



Stabilising production

KYOTO—Robotic farming may be the way forward as Japan faces food security issues and an ageing population, with Kyoto-based Spread leading the way.

by Gabrielle Easter

Rising labour costs: tick. Ageing population: tick. Threat of natural disasters: tick.

Fully automated lettuce production...? Tick. Yes, that's a tick.

Japan has been home to a prototype lettuce-producing factory since 2013, run by Kyoto-based Spread. The factory is fully automated after germination until harvest, reducing labour costs, reducing risk of contamination and increasing water efficiency.

The 2,868m² Kameoka plant, located half an hour from Kyoto, opened in July 2007 and now produces 7.6m heads of lettuce annually, some 21,000 head a day.

"We now supply 2,000 stores with our produce; 97 per cent goes to supermarkets and 3 per cent goes elsewhere including Tokyo Disney, Subway stores, 7/11 stores and for in-flight meals on Japan Airways," Spread's manager of global marketing JJ Price explains.

"Our vision is a sustainable future, and that's the goal. We want to provide stable production so that people won't have to worry about where their food is coming from."

Spread was established in 2006 in Kyoto, Japan, as a producer and seller of vegetables, focusing on four varieties of lettuce for the time being sold under its 'Vege-tus' brand.

Next year, Spread is opening a larger factory, known as its 'model' factory to significantly increase its production potential growing system overseas.

The 12,000m² factory, which cost ¥2bn (US\$17m) to build will produce 30,000 heads of lettuce a day at full production.

The new factory will use around 100ml of water per lettuce head, compared to around 10l used in conventional farming. Spread has also developed its own LED lights for the lettuce, cutting electricity costs by 30 per cent.



Spread holds a 0.1 per cent share of the lettuce market in Japan just from its prototype factory, with the aim of capturing 10 per cent of the market in Japan by 2020. To achieve this, Price says they'll need 20 operational factories.

"We want to achieve this through partnerships or franchising, using our national network and knowledge to be there for support with directly managing the factories," Price says.

One obstacle so far has been the small, but growing, consumption of lettuce in Japan, which Spread is working to build through its website and communication channels, which feature nutritionists and chefs using lettuce in recipes.

"Since the earthquake (in 2011), people have become more concerned about food safety. Japanese consumers are willing to pay extra for safe, clean, chemical-free food," Price says. "At first there was hesitation. Putting 'factory' and 'vegetable' together caused some reservations, but with education about our systems and technique, we've had people say they love the taste, that it's fresh."

In terms of taking the Spread factory overseas, Price says they've formed a consortium of leading construction, water treatment, IT and chain production companies to take the idea overseas, with opportunities being explored in North America, Europe, Australia and Asean nations.

Spread is part of a larger trade group that comprises several arms, including a two distribution networks; a logistics unit that includes three storage facilities in Tokyo, Kyoto and Osaka; and a design unit, all of which supply some 300 wholesalers and 560 supermarkets across Japan. **A**

LEFT—Spread's 'Vege-tus' brand of lettuce is sold across Japan
RIGHT—The factory is fully automated post-germination