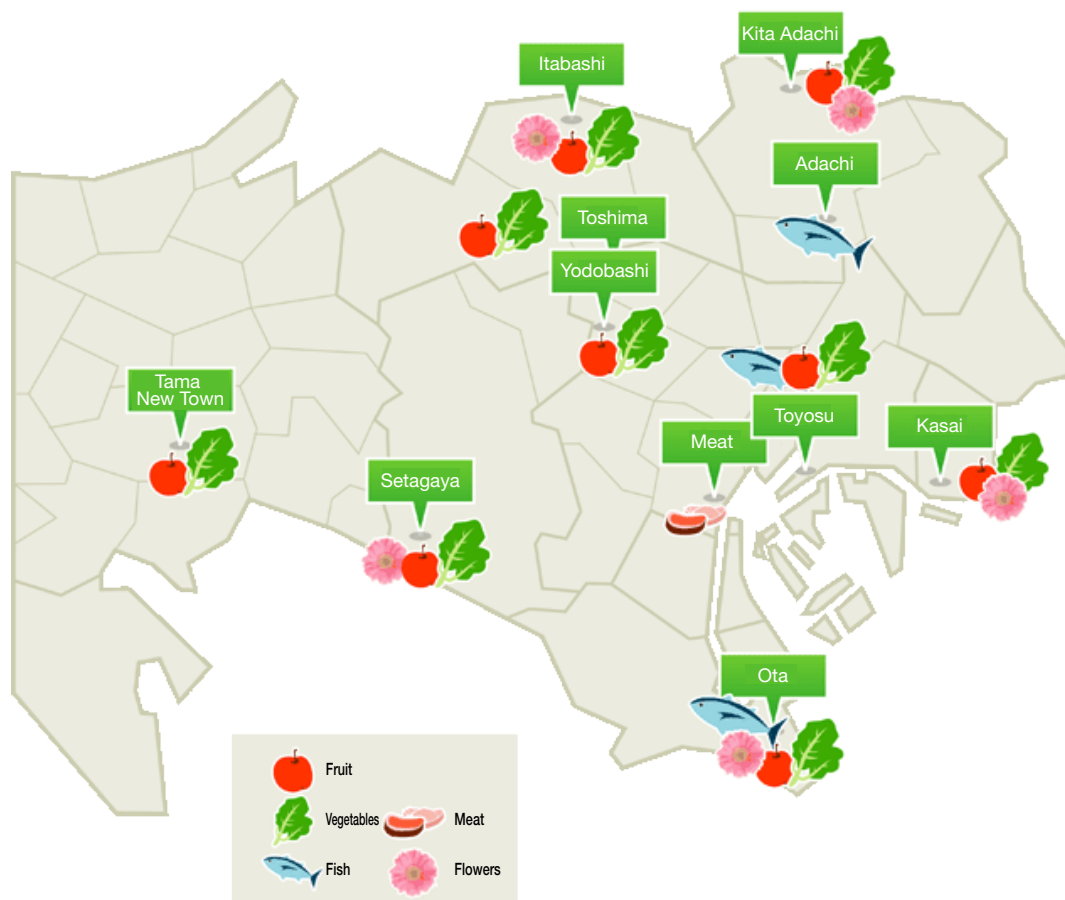


Metropolitan Central Wholesale Market

Overview of Yodobashi Market



July 1, 2019

Metropolitan Central Wholesale Market
Yodobashi Market

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1 Market Overview

(1) History

With the promulgation of the Central Wholesale Market Act in March 1923, and the formulation of the 1st Central Wholesale Market Construction Plan by Tokyo city in March 1924, the main Tsukiji Market and Kanda and Koto branch markets were constructed and opened in 1935. A 2nd plan was formulated in July 1932, consolidating scattered private wholesale markets, and the decision was made to make branches in Adachi, Ebara, Toshima and Yodobashi.

Based on this second plan, the Yodobashi branch was completed in September 1938, with a market area of 13,200 m² and a building area of 3,702.6 m², and the Yodobashi branch market began operating on February 16, 1939, incorporating 13 scattered private fruit and vegetable markets for the Yotsuya, Yodobashi, Nakano, Suginami, Nerima, Shibuya and Setagaya areas.

In addition, distribution offices began business in Matsubara/Suginami in May 1939 and Nerima in June 1946 to service this branch market.

With the concentration of population in cities accompanying the period of high economic growth from the early 1960s, demand for fresh food also increased. Population growth, especially in the western part of Tokyo, and the appearance of high-rise buildings in Shinjuku increased the daytime population significantly, and the Yodobashi Market (in 1962, this branch was renamed as a market and the distribution office was renamed a branch office) handled an increasing amount year by year as a source of fresh produce from this location to residents in Tokyo.

Given the limited size of the handling area at the Yodobashi Market in comparison with other markets, three-dimensional reconstruction work was carried out 4 times over the 10 years from 1974 to 1985, to increase the wholesale floor and parking area, enhance market functions and alleviate congestion.

However, increased traffic on surrounding roads due to the increased size of incoming vehicles from production areas and the progress of urbanization have had a significant effect on market functions.

(2) Current Conditions and Issues

The Yodobashi Market supplies fruits and vegetables to surrounding wards including Shinjuku, Nakano, Suginami, Nerima and Setagaya etc., as well as to the mainly eastern and central parts of Tama Area. This market is the third largest fruit and vegetable handling market following Ota and Toyosu among the 9 central Tokyo wholesale fruit and vegetable markets, playing an important role in providing a stable supply of fresh food.

However, various issues have arisen because of the progress of mass and wide area transportation, larger sized local shippers, larger sized transport vehicles, and the diversification of

trading methods (transfer and carrying in etc.). As a result the trend of entry at the market is changing to late night to early morning hours from prior to the start of buyer vehicles (6:40am). And given the large quantities handled there despite its limited size, there is a significant impact on neighbors, general traffic and passersby at the Yodobashi market due to noise and traffic congestion from vehicles associated with the market.

Given such circumstances, on June 1, 2005 the wholesale companies “Tokyo Shinjuku Seika Co., Ltd.” and “Tokyo Yodobashi Seika Co., Ltd.” integrated their wholesale businesses to form the new company “Tokyo Shinjuku Vegefru Co., Ltd.”. With this opportunity the wholesale area was also rearranged, utilizing a central 3-lane road which secured smoother flow lines, and improvements were observed in traffic congestion inside and outside of the market.

◎ Current Responses to Issues

Security guards and traffic directors have been put in place to organize traffic around the market, reducing traffic obstacles and noise etc. caused by related vehicles.

In terms of security, outsourced security is in place at the main gate station from 8 am to 4 pm, and at the south gate station 24 hours a day, and in addition to security throughout the market site regular patrols are made in cooperation with city patrols in an effort to maintain the environment around the market by stopping the idling of vehicles and cargo handling outside of the market etc.

There are 9 traffic directors in place at the gates and intersections between 7 pm and 5 am the next morning for traffic control, but efforts have been made to ensure smooth entry and exit and the safety of the sidewalk with guards at the Otakibashi gate until 10 am and the south gate until 2 pm, which see many passing vehicles, and 24 hours a day at the main gate since 2013 and two guards throughout the day since 2019. Also, on days that are expected to be particularly congested the number of guards is increased to 11 to strengthen traffic control (in 2018, 103 days were established as days for such strengthened measures).

(3) Transition of Development Plans

a) 5th and 6th Wholesale Market Development Plans

Tokyo city formulated the 5th Wholesale Market Development Plan (1991 to 2000) in 1991, and in terms of Yodobashi Market plans were made to demolish part of existing buildings to recover market function and eliminate traffic congestion, and to create a 4 floor wholesale area, a 7 floor office building and a basement floor, with the aim of making effective use of the site and neighboring environment.

However, the duration of construction for this plan was required to be shortened due to a 1994 resident briefing session because of the estimated construction duration of 8 years and 5 months. In 1995 the basic design was reviewed, because of the given obstacle for entering and exiting vehicles caused by the irregular shape of the building due to the construction of offices on the 4th floor and

above, the deregulation of vehicle weights and the need for a new seismic diagnosis survey, and the need for a proper buried cultural property survey.

- No large-scale maintenance of the wholesale areas will be made.
- Acquire the entire area of a former nursing school and construct an administration office and multi-storey car park building for commuter vehicles.
- The current office building and wholesale sales building will be removed to provide a waiting area for local shipping vehicles.

However, amid tight finances, each of the branches were forced to review the 5th Wholesale Market Development Plan, and the Yodobashi Market ended up being unable to acquire the former Tokyo Shinjuku Nursing College and had to go back to the drawing board.

- In formulating the 6th Wholesale Market Development Plan (1996 to 2005), given the fact that the 5th Development Plan for the development of Yodobashi Market had returned to the drawing board and based on the results of an examination of the industry as to “what is the most urgent need of the Yodobashi Market?” As a result, it was determined that while there were many problems within the market itself, the first priority was to resolve inconvenience for the surrounding environment, and the plan incorporated developments to capture market related vehicles within the market, as well as seismic reinforcement work for some existing facilities.

○ **Specific developments under the 6th Wholesale Market Development Plan (completed March 2001)**

- Improvement of the space on the 2nd floor of the wholesale area.

Removal of the open ceiling to convert into a covered ceiling on the 2nd floor and to expand the parking space on the 3rd floor.

- Establishment of a slope on the 2nd floor of the wholesale area.

A new slope was established from the Otakibashi gate to the 2nd floor wholesale area and a dedicated down slope from the 2nd floor northern wholesale area.

- Widening of the 1st floor central management passageway.

The two lanes were widened to three lanes to secure traffic flow lines for local production area vehicles and to increase the convenience of unloading work.

- Installation of soundproof walls.

Soundproof walls were installed on existing slopes to prevent inconvenience to neighboring residents from market noise.

b) 7th Wholesale Market Development Plan (2001 to 2010)

The 7th Wholesale Market Development Plan was formulated in 2001. This plan was to “Make necessary developments for the Yodobashi Market by improving flow lines within the market with the establishment of newly established slopes etc. and the consideration of the relocation of existing intermediate wholesale sales areas to improve the efficiency of the limited market space. The Nerima branch was to introduce private activity and to be integrated with the aging Suginami branch

to form a regional wholesale market. The future of the Matsubara branch was to be considered with a view to safety measures.”

○ **Establishment of the Nerima branch as a regional wholesale market and integration with the Suginami branch**

The “Tokyo Central Wholesale Market Ordinance ” was amended at the 3rd Tokyo Metropolitan Assembly in 2001, and as of November 1, 2001 the Nerima branch was transferred to the regional wholesale market operated by wholesaler “Tokyo Shinjuku Seika Co., Ltd.,” and the Suginami branch was abolished as of April 6, 2003 and integrated into the Nerima regional wholesale market.

○ **Maintenance of the Matsubara branch office building**

With more than 30 years having passed since the construction of the Matsubara branch office in 1969, and the building showing a great deal of aging, a new office building was constructed in 2002 as a safety measure.

c) 8th Wholesale Market Development Plan (2005 to 2010)

The 8th Wholesale Market Development Plan was formulated in 2005, and the following plans were made for Yodobashi Market.

- For the main market, to realize the most efficient use of its limited size, fundamentally review flow lines within the market and the placement of intermediate wholesaler sales areas and make necessary facility maintenance. Establish a low temperature wholesale area to improve quality control.
- Consider the ideal use of the Matsubara branch.

○ **Main Market**

- A low temperature wholesale area was completed in May 2006 and is currently in use.
- A basic plan was formulated from 2006 to improve flow lines within the market and to review the arrangement of an intermediate wholesaler sales building, and action has been taken to realize this development.

○ **Matsubara branch**

- It was decided at a Wholesale Market Committee meeting held in 2006 that the Matsubara branch would be abolished.
- In 2008, an amendment was made to the “Tokyo Central Wholesale Market Ordinance and Enforcement Ordinance” at the 1st Tokyo Metropolitan Assembly, and the Matsubara branch was abolished as of July 21, 2008.

d) 9th Wholesale Market Development Plan (2011 to 2015)

The 9th Wholesale Market Development Plan was formulated in 2011, and the following plans were made for the Yodobashi Market.

- To make efficient use of the limited size of the market, the Yodobashi renewal project was continued, including the construction of a new intermediate wholesaler sales building.
- Also, to fully demonstrate its function as a base market, low temperature facilities were to be developed to advance quality control and enhance hygiene measures.

- **Construction of a new intermediate wholesaler sales building**

In October 2012 a new intermediate wholesaler sales building was constructed on the western side of the market, and this new building included the intermediate wholesaler sales area, an office and low temperature cargo handling area, and also an electric vehicle charging station.

- **Securing waiting parking area**

A waiting parking area was established in the space of the former intermediate wholesaler sales building to secure space for local producer vehicles that had previously had to wait on the street.

e) 10th Wholesale Market Development Plan (2016 to 2020)

The 10th Wholesale Market Development Plan was formulated in 2017, and the following plans were made for the Yodobashi Market.

- Consider facility development to meet the needs of actual consumers to further improve the efficient use of the limited area of the market.

- **Response to Environmental Issues**

The following efforts are being made to promote energy conservation and global warming countermeasures.

- Updating and construction of refrigeration and freezer facilities
- Installation and construction of LED lighting

2 Market Scale

(1) Location and Scale of Facilities

•Location: 4-2-1 Kita Shinjuku, Shinjuku
 •Site area 23,583㎡
 •Wholesale market area: 11,436㎡

•Date of Start of Business: February 16, 1939
 •Site Area: 39,653㎡
 •Wholesale market area: 649㎡

(2) Number of Market Participants

Class.	Apr 1 2019	Same Day Previous Year	Increase(Δ)/Decrease	YoY
Wholesalers	1	1	0	100.0%
Intermediate Wholesalers	15	15	Δ 0	100.0%
Trading Participants	529	547	18	96.7%
Related Businesses	7	7	0	100.0%

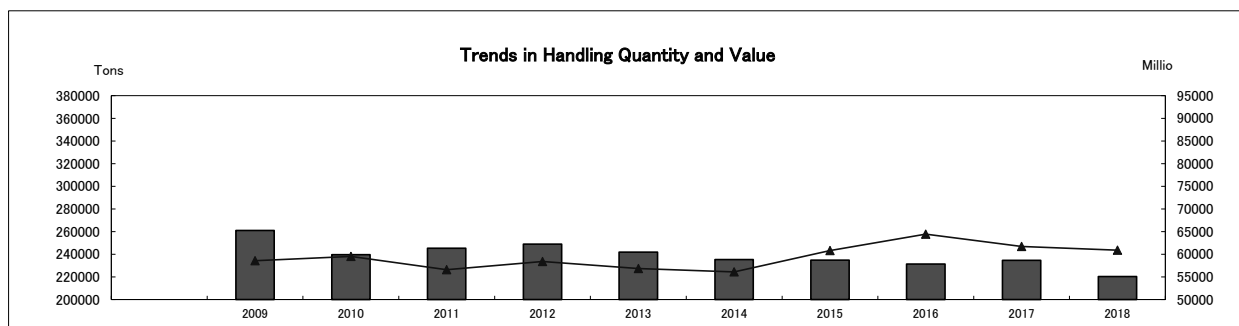
(3) Tokyo Organization and Personnel (as of April 1, 2019)

○Fixed	Director	1
	Business Managers	12 (5 administrative, 1 technology, 6 security)
	Facility Manager	1 (1 administrative)
○Current	Director	1
	Business Managers	12 (5 administrative, 1 technology, 6 security)
	Facility Manager	1 (1 administrative)

3 Handling Performance

(1) Trends in Handling Quantity and Value

Class.	Quantity (tons)	YoY (%)	Value (Million yen)	YoY (%)	Daily		Total Market Daily (tons)	Days Open
					Quantity (tons)	Value (1,000 yen)		
2009	261,033	95.6	58,587	94.8	956	214,604	7,953	273
2010	239,626	91.8	59,525	101.6	878	218,040	7,485	273
2011	245,227	102.3	56,579	95.1	902	208,011	7,519	272
2012	248,990	101.5	58,411	103.2	915	214,746	7,688	272
2013	241,795	97.1	56,829	97.3	902	212,049	7,742	268
2014	235,256	97.3	56,096	98.7	881	210,097	7,780	267
2015	234,789	99.8	60,812	108.4	879	227,760	7,624	267
2016	231,268	98.5	64,434	106.0	873	243,147	7,522	265
2017	234,682	101.5	61,724	95.8	892	234,692	7,717	263
2018	220,302	93.9	60,895	98.7	851	235,116	7,498	259



(2) Handling Quantity and Value by Market (2018)

Class.	Quantity (tons)	YoY (%)	Ratio of Market Composition (%)	Value (Million yen)	YoY (%)	Ratio of Market Composition (%)	Daily	
							Quantity (tons)	Value (1,000 yen)
Ota Market	970,412	98.1	50.0	302,305	101.6	52.1	3,747	1,167,201
Toyosu Market	243,747	93.0	12.6	86,203	98.0	14.8	941	332,831
Yodobashi Market	220,302	93.9	11.3	60,895	98.7	10.5	851	235,117
Kita Adachi Market	137,169	91.6	7.1	38,470	97.5	6.6	529	148,532
Itabashi Market	114,491	96.1	5.9	28,319	99.3	4.9	442	109,341
Kasai Market	111,880	98.1	5.8	28,116	99.2	4.8	432	108,556
Toshima Market	88,581	94.5	4.6	22,093	98.6	3.8	342	85,299
Setagaya Market	33,249	80.0	1.7	8,472	83.9	1.5	128	32,711
Tama NT Market	22,195	87.0	1.0	5,824	89.2	1.0	86	22,485
Total	1,942,026	95.7	100.0	580,697	99.7	100.0	7,498	2,242,073

*Toyosu Market is the sum of Tsukiji Market and Toyosu Market

(3) Handled Quantity per m² at each Market (2018)

Class.	Quantity (kg/day)	Site Area (m ²)	Quantity Handled per 1m ² of Site Area (kg)	Wholesale Area (m ²)	Quantity Handled per 1m ² of Wholesale Area (kg)
Ota Market	3,746,766	386,426	9.7	35,658	105.1
Toyosu Market	941,106	230,836	4.1	13,200	71.3
Yodobashi Market	850,588	23,583	36.1	11,436	74.4
Kita Adachi Market	529,611	61,076	8.7	14,906	35.5
Itabashi Market	442,051	61,232	7.2	7,513	58.8
Kasai Market	431,970	74,515	5.8	9,921	43.5
Toshima Market	342,013	23,334	14.7	6,996	48.9
Setagaya Market	128,372	41,482	3.1	3,524	36.4
Tama NT Market	85,694	57,153	1.5	2,453	34.9

*Toyosu Market is the sum of Tsukiji Market and Toyosu Market

(4) Handled Quantity and Value by Item (2018)

(Units: tons, million yen)

Class.	Vegetables		Fruit		Other		Total	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Total	176,214	44,248	40,783	15,816	3,305	831	220,302	60,895
Daily	680.4	170.8	157.5	61.1	12.8	3.2	850.6	235.1

(5) Transactions by Sales Method (2018)

(Units: tons, thousand yen)

Class.	Vegetables		Fruit		Other		Total	
	Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
Auction	700	135,775	51	9,057	0	0	751	144,832
Negotiation	149,785	36,913,858	35,123	13,495,001	2,980	756,991	187,888	51,165,850
Third Party Sales	26,298	5,155,528	6,066	2,192,948	311	61,644	32,675	7,410,120
Total	176,783	42,205,161	41,240	15,697,006	3,291	818,635	221,314	58,720,802
Auction Ratio	0.40%	0.32%	0.12%	0.06%	0.00%	0.00%	0.34%	0.25%

4 State of Intermediate Wholesalers

(1) Intermediate Wholesalers Purchase Ratios of Wholesaler Handling Quantities (2018)

(Units: %)

Maret Type	Tsukiji	Ota	Toshima	Yodobashi	Itabashi	Setagaya	Kita Adachi	Tama NT	Kasai	Total Market
Vegetables	55.9	61.1	13.6	22.6	23.7	34.3	44.7	76.2	16.1	48.2
Fruit	63.1	79.9	50.5	31.8	47.3	52.5	47.2	73.3	29.1	66.5
Total Handled	53.9	67.3	20.0	24.8	29.8	36.0	45.1	75.8	19.8	53.1

(2) Distribution by Amount Purchased by Intermediate Wholesalers (2018)

(Units: %)

Class Item	5 billion yen or more	3 billion yen or more	2 billion yen or more	1.5 billion yen or more	1 billion yen or more	500 million yen or more	250 million yen or more	100million yen or more	50 million yen or more	Less than 50 million yen
Operators	0	1	1	2	2	3	2	3	1	0
Ratio	0.0	6.7	6.7	13.3	13.3	20.0	13.3	20.0	6.7	0.0

**Central Wholesale Market
Yodobashi Market**

4-2-1 Kita-shinjuku, Tokyo
(as of April 1, 2019)

