



1 October 2018 issue

## • Dining at Shibuya Stream

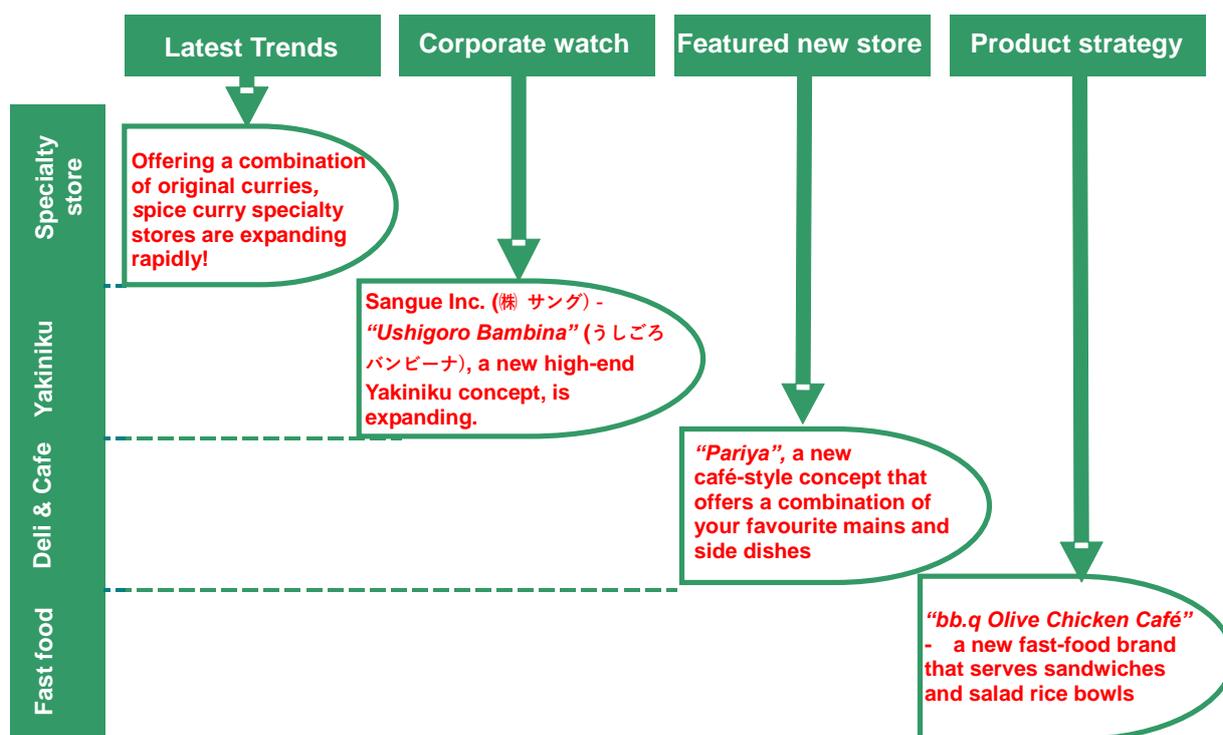
- The Shibuya Stream building opened on 13 September. One of the forerunners leading the major redevelopment works that are taking place in Shibuya. The building is located in front of the Shibuya Police Station along Meiji-dori, and houses 30 dining concepts. There is a linkway on the second floor that crosses Aoyama-dori, and connects to the buildings towards the direction of Hikarie. The Excel Hotel Tokyu occupies the 4<sup>th</sup>, 9<sup>th</sup> to 13<sup>th</sup> floors; while Google's headquarters will be moving into the upper floors in November. The promenade along the Shibuya River, which flows in front of the building, extends to the Daikanyama area. There are plans to create a new area called "Shibuna – New Frontier" (渋谷・ニューフロンティア) at the sidewalk along Meiji-dori, and transforms the area into a major dining zone.
- The concept that mixes unique food businesses and small-scale chain stores (except for Starbucks) has emerged as a strong selling point. Shibuya is attractive for its clutter, and hustle and bustle. The new developments are expected to create a new Shibuya, but retaining its charm.



- Jotaro Fujii

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### HOT NEWS! SANTOUKA RAMEN: 43 overseas outlets, 18 domestic outlets



# 1. Hot News! **SANTOUKA RAMEN: 43 overseas outlets and 18 domestic outlets**

Japanese ramen is rapidly expanding overseas. One example is “Santouka” (山頭火), a concept under Ab.Out Co. Ltd. With its flagship store in Asahikawa, “Santouka” has been actively expanding in other countries since 2003. It has more outlets abroad than in Japan. “Ippudo” (一風堂) is a pioneer when it comes to overseas expansion. As at last year, Ippudo has 133 outlets in Japan and 65 overseas. The popularity of Japanese food is expected to increase further overseas, and both companies will take the opportunity to drive expansion in countries such as the EU.



## 2. Latest Trends

**Spice curry specialty stores that offer a variety of original curries, are expanding!**

■ **“Pongala Curry”(ポンガラカレー)** By **MCI Ltd (株) エムシーアイ**



● “Pongala Curry” opened its third outlet on 25 September 2018. It is located on the third floor of “Otemachi Place” complex, near the A5 exit of Tokyo Metro Otemachi Station. It has a seating capacity for 38 persons, including aisle seats. There are 10 types of curry available all day. They include “Lentils curry”, “Mushroom curry” and “Butter chicken curry”. A “Pongala Plate” with 5 kinds of curry costs ¥1,280, and the “Sri Lanka Plate” with 2 kinds of curry costs ¥1,100. The curries are served with the long-grain Basmati rice (normal white rice is also available at ¥100 less). The store also serves “Beef curry” at ¥780, and “Katsu curry” at ¥980. The main store is located in front of the Hankyu Umeda Station in Osaka. Another outlet was opened on 11 September 2018 at Akasaka Ark Hills.

■ **Tokyo Curry Stand – HATONOMORI (東京カレースタンド HATONOMORI)**



● On 25 September 2018, the curry specialty store opened at “City Marche”, the F&B floor located at the basement of Nihombashi Takashimaya SC, which is directly connected to Tokyo Metro Nihombashi Station. Hatonomori is a new concept in Sendagaya. It offers items such as “Hatonomori Curry” at ¥1,000, and “Curry Plates” where customers can select one, two or three kinds of curry at ¥1,100, ¥1,200 and ¥1,300 respectively. Pork Keema, Chicken and Shrimp Curries are available for customers to choose from. The store is mainly patronized by female office workers during lunch time.

### Discussion : The Future of “Spice Curry” Specialty Stores

Even though there are no growing curry chains except for “CoCo Ichibanya”, “GoGo Curry”, “Curry Camp”, “Joutou Curry” (上等カレー) and “Hinoya Curry” (日乃屋カレー) are expanding by cultivating repeat customers who are attracted by their favourite curry taste. Pongala Curry and Hatonomori aim to set up shops in locations where there are no other curry specialty stores, and differentiate themselves with their unique curries and the variety of vegetables available for selection. Curry specialty stores are starting to expand rapidly. Besides the level of spiciness, toppings and quantity, the stores are also aiming to attract repeat customers by promoting health and their strong business ethics.

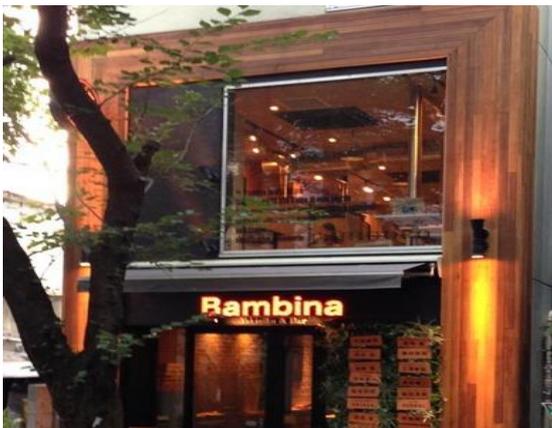
### 3. Progressive Companies

#### ■ Sangué Inc. 株式会社 サンゲ

Sangué Inc. was established in January 2011. In April 2011, it started “Yakiniku Ushigoro” (焼肉 うしごろ) at the Nishi-Azabu intersection along Roppongi-dori, serving domestic A5-grade Kuroge Wagyu. The menu items include “Three-types Wagyu Sashimi Platter” (和牛の刺3種盛り合わせ), “Thick-sliced Lean Wagyu Steak” (赤身の厚切りステーキ) and “Chateaubriand Mille-feuille” (シャトーブリアンのミルフィーユ). It further expanded with more stores and new concepts “Ushigoro Bambina” (うしごろ バンビーナ) for yakiniku and wine, and “Ushigoro Kan” (焼肉と和酒 うしごろ 貫) for yakiniku and sake, in Ebisu, Azabu, Ginza, etc. In October 2016, Sangué Inc. opened “CINA New Modern Chinese”, a Chinese restaurant, in Ebisu. This was followed by another new Japanese concept “Niku Kappo Jo” (肉割烹 上) in August 2017, located at Nogizaka and with a price point of more than ¥7,000 per customer. On 5 July 2018, “Ushigoro S” opened at Ginza 7-chome. Priced at around ¥15,000 per customer, the concept is positioned as a high-end meat restaurant chain. To-date, Sangué Inc. has 15 outlets across 6 premium meat concepts.

#### ● Ushigoro Bambina (うしごろ バンビーナ)

“Delicious Kuroge Wagyu and wine at reasonable prices!” (美味しい黒毛和牛とワインをリーズナブルに!). There are 20 sirloin items on the menu. They include “Sukiyaki” (すき焼き), “Wagyu Tartare” (赤身肉のタルタル), and “Kiwami Hamburger” (極みのハンバーグ) at prices ranging from ¥800 to ¥5,000. There is also yakiniku with meats such as ribeye roll (リブ芯) and outside skirt Harami (ハラミ); and sushi such as Wagyu nigiri (極上赤身の握り) and grilled sirloin nigiri (サーロインの炙り握り). The restaurant is patronized mainly by couples and male customers.



The Shibuya outlet has three levels. There is a standing bar on the first floor. The second and third floors come with seats and tables, and private rooms for customers to enjoy yakiniku.

## 4. Featured New Stores

Pariya (株) 巴里屋

A new café-style concept that sells “Deli Box” (デリボックス) that combines your favorite mains and side dishes

### Delicatessen “PARIYA”



- On 25 September 2018, delicatessen “Pariya” opened at “City Marche”, the F&B floor at the basement of Nihombashi Takashimaya SC, directly connected to Nihombashi Station. The café-style concept has a seating capacity for 45 pax. They offer 5 types of mains such as “Stir-fried chicken thigh with green curry” (チキンのタイグリーンカレー炒め), and “Grilled yam wrapped with pork” (豚肉の長芋巻きグリル); 4 types of side dishes, and 5 choices of salads such as “Peanut Butter Pumpkin” and “Tom Yum Bihun” (トムヤムビーフン). A “Deli Box” costs ¥1,140 (or ¥1,200 for brown rice), and comes with a soup, white rice (or brown rice), a main, a salad and a side dish. A drinks bar is also available during lunch time. “Pariya” has been setting up delis and cafes in Aoyama, Akasaka, etc. The store at Nihombashi Takashimaya SC is the 6<sup>th</sup> outlet.

### Evaluation

“RF 1” was the first to set up a delicatessen, which subsequently expanded to multiple outlets for takeaways. Pariya’s outlet comes with seats, and is located with a large number of small eateries on the F&B floor. It aims to attract customers with ready-made dishes “that are part of their daily lives”. Pariya is a subsidiary of Mash Holdings Co., Ltd, which has an existing cosmetics business. The company is strengthening its branding, and expanding its business. There will be more outlets opening in department stores and commercial facilities.

## 5. Product / Business Strategy

### Fried Chicken Specialty Store

New fast food concept that sells sandwiches, salads and rice bowls

“bb.q Olive Chicken Café”(bb.q オリーブキッチンカフェ) BY Watami Co. Ltd **ワタミ (株)**

■ **Features** : Menu items include crispy “Olive Chicken” at ¥220 a piece, “Yangnyeom Chicken” that comes with a sweet and savory sauce at ¥260 a piece, and “Chicken finger” at ¥290 for 3 pieces. The store also serves 4 types of chicken rice such as hot and spicy “Ma la chicken rice” and 4 types of sandwiches, at prices ranging from ¥420 to ¥690. There are 10 seats in the store. The second outlet of “bb.q Olive Chicken Café” is located in front of the Otorii Station on the Keikyu Airport Line. The outlet attracts a wide range of customers during holidays, from young people to housewives. The same company opened a new delicatessen and bento concept “30 Delica”, which started pre-opening sales on 25 September 2018 at Sasazuka.



■ **Strategy** : Korean “bbq. Olive Chicken Café” has tried to break into new markets since 2008. This time round, Watami has attempted to enter a shopping area in front of a station, with a fast food concept. Fried chicken is a popular item found in convenience stores and supermarkets. The company, which operates izakayas as its core business, leverages on its chain development know-how to expand the fried chicken concept. It differentiates itself and attracts customers by emphasizing the “sweet and spicy taste”, “quality”, and its “affordable prices”.

- Latest new store

28 September “Buttermilk Channel” (バターミルクチャネル)

A US brand that features original home-made recipes for comfort food such as pancake and fried chicken.

Located near the 5<sup>th</sup> exit of Meiji-jingumae Station of the Tokyo Metro Chiyoda Line, the outlet was started by Oizumi Foods, which operates mainly izakaya concepts such as “Kuimonoya Wan” (くいものや わん) and “Sen no Niwa” (千の庭).



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