

RESEARCH AND DEVELOPMENT



The most important aspect of developing and expanding our operations as a general manufacturer of processed foods is research and development (R&D) aimed at creating new technologies and products. At Showa Sangyo's General Research Institute, Food Development Center, and Animal Feed Technology Center, numerous diverse technology groups are engaged in a broad range of efforts. The efforts include everything from applied research, which includes developing products that meet clients' needs as well as improving existing products and production processes, to basic research, in which researchers develop new products and new technologies from a mid to long-term perspective.

Our mid to long-term development of new products revolves around the milling, extraction, refining, and fermentation technologies that we have cultivated as our main lines of business. We also aim to develop high value-added foodstuffs through the application of biotechnology.

Showa Sangyo views such societal issues as environmental problems and the more sophisticated use of biological resources as its own concerns. Our environmental measures include waste reduction through new, unconventional technologies such as fermentation and membrane technology, and explorations of technologies with eyes for the next generation. We are also working on effective use of the by-products and waste products that are produced during factory manufacturing processes, such as developing zein, a protein component of corn, and nutrients for cultivating mushrooms. We have also turned our attention to the problem of food allergies, and are cooperating in the development of processed foods using hypo-allergenic wheat

flour.

By forging wide-ranging links with university and public research institutions in our areas of research and taking advantage of exchanges with other industries in our areas of applied research, we are striving to enhance our R&D capabilities in these fields and our ability to commercialize the results.

Furthermore, our R&D teams, which maintain close links with the business departments, develop products while remaining in communication with our customers so that they can respond rapidly and flexibly to their needs. We are making efforts to provide high value-added products and technological information in a timely manner.

This year, we have developed a variety of products: La Seine and other types of wheat flour, bakery mixes such as high-rutin bread mix, oils for cooking rice and frying, a glucide for use as an ingredient in processed foods, flour for tempura coatings, flour for karaage coatings, batter mix, frozen bread dough and prepared foods. These are being provided mainly to food processing manufacturers or convenience stores for commercial use. For the household market, on the other hand, we have introduced a variety of new and reformulated or repackaged products, including vegetable oils, such as Olein Rich, the Taiyo no Ristorante series of pastas and sauces, pancake mix, and gift packs for wedding guests. In the area of animal feeds, we began selling compound feeds with isomalt-oligo-saccharides as the main component, produced at our own production facilities, and also developed poultry feed incorporating measures against salmonella contamination.

Furthermore, our company-wide R&D efforts have involved obtaining ISO 9000 certification (in four divisions), studying the introduction of HACCP and mastering GMO (genetically modified organisms) analysis technology. We also worked to make further improvements in our products, reduce costs and guarantee safety. Our R&D expenses for this fiscal year were 1,727 million yen.

R&D Expenses
(Million ¥)

