



**Sapporo: Japan's 1<sup>st</sup> Beer**

**Listening Questions 1:**

1. What did Seibei Nakagawa do before he was the brewmaster of Sapporo Beer Company?
2. When was the Sapporo Beer Company officially established?
3. Which 3 companies merged to form Dai Nippon Beer Company?
4. What was Dai Nippon's market share of the Japanese beer market after the merger?

**Listening Questions 2:**

1. What happened to Dai Nippon Beer Company after WWII?
2. How long was Yebisu Beer not made?
3. Where is Sapporo trying to expand internationally?
4. In 2014, what was Sapporo's operating profit?

## Transcript 1:

In June 1876, Seibei Nakagawa was hired to be the brewmaster of a new beer factory in Hokkaido. At the time the national government in Japan was helping the development of many businesses in Hokkaido as it was considered an important area for Japan's economy and defense. Nakagawa had studied beer making in Germany before he was hired to oversee construction of the factory.

The factory was completed in September 1876 and Sapporo Lager was produced the following year. The Sapporo Beer Company was officially established in 1887. The Japan Beer Brewery Company, which created Yebisu Beer, was established the same year in Tokyo. Around 1900, those two companies along with Kirin Brewery and Osaka Beer (which later became Asahi Breweries) were fighting for market share of the Japanese beer market.

Kyohei Magoshi, the head of the Japan Beer Brewery Company, merged his company with Sapporo and Osaka to form Dai Nippon Beer Company. After the merger in 1906, Dai Nippon had a dominant 70% share of the Japanese beer market.



## Transcript 2:

After WWII, Dai Nippon Beer Company was broken into 2 companies: Nippon Breweries Ltd. and Asahi Breweries Ltd. In 1964, Nippon Breweries changed its name to Sapporo Breweries. In 1971, the Yebisu beer brand was re-launched by Sapporo after a 28-year break.

Although the majority of Sapporo's modern business comes from alcohol, over the years it has expanded to food, soft drinks, restaurants, and real estate. The Sapporo group companies aim for international expansion mainly in Southeast Asia and North America. Sapporo has one alcoholic beverage factory each in the US, Canada, and Vietnam. It has five factories in Japan.

In 2014, Sapporo had ¥518.7 billion yen in sales and ¥14.7 billion yen in operating profit, which were a 1.7% increase YoY and a 3.9% decrease YoY, respectively.