

# Optimizing Supply and Demand to Resolve Food Loss and Waste

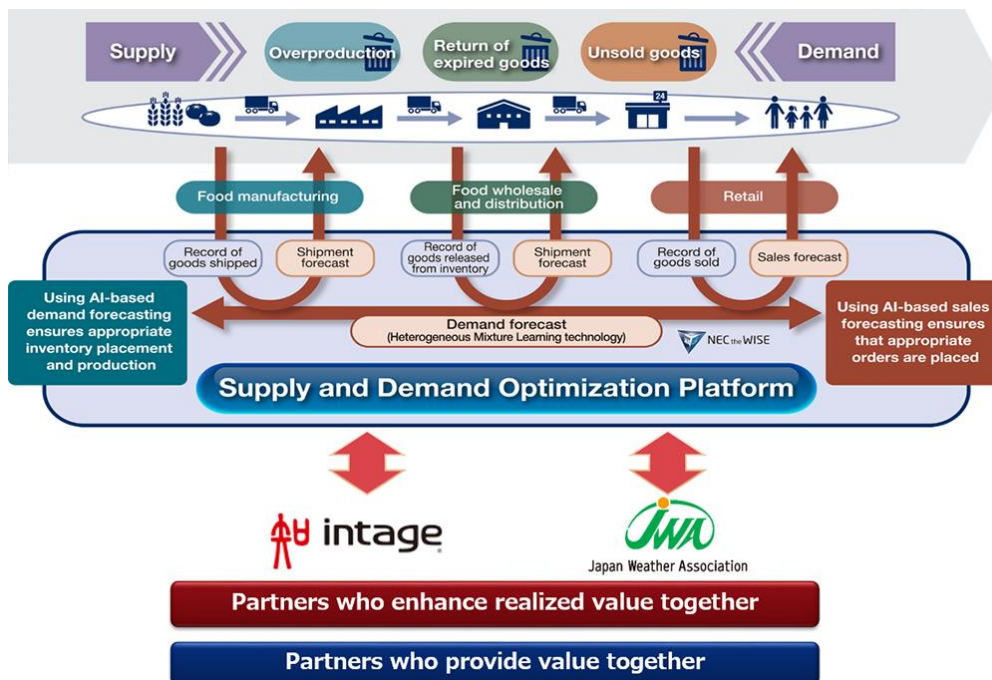
By 2050, the global population is expected to increase by 30% from its current 7 billion to 9 billion. In conjunction with this, demand for food is set to increase by 70%. Meanwhile, 1/3 of global food production, some 1.3 billion tons, is disposed of without being eaten. Japan wastes 6.43 million tons of food annually, of which around 55% is due to overproduction or unsold items in the distribution process (manufacturing, wholesale and logistics, and retail.)\*

NEC provides the “supply and demand optimization platform,” a system for optimizing the supply chain by using ICT, especially artificial intelligence (AI) to reduce food loss and waste. Compared with the conventional demand prediction which was conducted separately by the food manufacturing and retail businesses, the supply and demand optimization platform not only optimizes individual processes, but also collected data over the entire value chain and uses AI to increase the accuracy of demand prediction, enabling production, inventory and orders to be optimized across the value chain.

Collaborating with the Japan Weather Association from February 2018 and the INTAGE Inc. from June 2018, NEC has started developing a business for optimizing supply and demand across the entire value chain of manufacturing, wholesale and logistics, and sales in diverse industries and sectors.

Looking ahead, we will make efficiency gains across the entire value chain by using the supply and demand optimization platform.

\*Ministry of Agriculture, Forestry and Fisheries “Food Loss Amount (Estimate for Fiscal 2016)” (April 12, 2019)



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Outline of collaboration with the Japan Weather Association and INTAGE Inc.