

down in the disaster. The company's employees, who number about 20, were confirmed safe, but some took refuge in Osaka and other areas, said Nobutaka Maeda, an employee.

"Fortunately, we managed to get in touch with all our colleagues," Maeda said.

The company, with annual sales of more than ¥300 million, does business with wholesalers and retailers in the Kanto region, he said.

All the other neighboring manufacturers were of a similar scale as David Shoes, and "some may give up the business soon," Maeda said, adding, "That will trigger bankruptcy to their affiliates in a chain reaction nationwide."

Maeda said his company president has applied for financial relief the government decided to grant to small and medium-size business owners whose companies have been damaged by the quake.

Another manufacturer in the area said its production facilities were totally destroyed and thousands of shoes in its stock were no longer of any use.

On the other side of the city, officials in the sake industry rated the quake as the second-worst event in Kobe's 300-year sake-making history. Only World War II was more destructive, they said.

Kobe's brewers' products make up about one-third of the country's output.

"Damage to the industry was immeasurable. All the traditional wooden plants collapsed, and some of the reinforced concrete buildings were severely damaged," said Kazuhiro Misato, general manager of Nada Gogo Sake Brewer's Association.

The Nada Gogo sake district stretches over Kobe's Higashi-Nada and Nada wards and Nishinomiya, Hyogo Prefecture.

Fifty breweries, many of which were wooden structures, had lined National Route 43.

Now the cityscape has changed dramatically, with many factories lying flattened and the nearby expressway devastated. The area was filled with the reek of alcohol shortly after the temblor.

"It's just as you see," said a worker at local brewer Daikoku Masamune, pointing to flattened company storehouses.

The company lost all its storehouses, which were spread over a few blocks, in the disaster, except for one reinforced con-



Smoke over downtown Kobe on Day 1 KYODO