

Japan Spring Travel Services, Ltd.

A leading Chinese travel agency, Shanghai Spring International Travel Services, Ltd., enters into Japan. The company aims to serve as a foothold for Japan-China exchanges with an original business model involving its affiliated airline company.

In November 2012, Shanghai Spring International Travel Services, Ltd., a leading Chinese travel agency, established Japanese subsidiary, Japan Spring Travel Services, Ltd., in Tokyo.

This comes amid rising expectations that more Chinese tourists will be visiting Japan in the future.



Mr. Wang Zheng Hua, Chairman of the Spring Group visits Japan to attend the supportive event "Fight! Fukushima".

Shanghai Spring International Travel Services, founded in 1981, is a major travel agency with headquarters in Shanghai, China. The company's business operations include tourism, hotel management, reservation services, organizing conventions, exhibitions and other events, visa application services, and planning and managing sports and cultural events.

One of the subsidiary companies is Spring Airlines, China's low-cost carrier (LCC),

which operates from Shanghai to three Japanese destinations including Ibaraki, Takamatsu, and Saga (as of February 2013).

The Spring Group is involved in a variety of other businesses such as real estate and international trade in addition to tourism, travel and air transportation. The group has 34 branches - mainly in major Chinese cities including Beijing, Xian and Guangzhou - and has overseas bases such as in the US and Thailand. The overall group operates primarily in tourism and has a total of 4,000 employees on its payroll with 3,000 in tourism, 500 in air transportation, and 500 in other businesses. The annual sales of the company are RMB 6 billion (approx. ¥75 billion) and those of the Spring Group are RMB 8.3 billion (approx. ¥100 billion).

Maximizing its unique business model that enables it to offer packaged tours in coordination with the group airline company, Shanghai Spring International Travel Services topped the domestic tourism rankings by the China National Tourism Administration (CNTA) and has received awards from the CNTA. Moreover, the company has differentiated itself from competitors through offering unique packaged tours, such as high-end group tours, mixed group tours with Chinese and foreign tourists, and traveling plans tailored for parents. The company also has an

excellent track record in organizing the world exposition in Shanghai and the Miss World Pageant.



Mr. Xie, Vice-Chairman of the Spring Group, receives an award from the China National Tourism Administration (CNTA)

Attractiveness of the Japanese market

The number of customers of Shanghai Spring International Travel Services has increased year after year. Among all tours, its packaged tours to Japan are remarkably popular.

Business year	Number of tourists within China	Number of tourists overseas
2007	1,314,543	79,097
2008	1,615,479	103,386
2009	1,379,600	130,386
2010	1,777,000	154,000
2011	1,013,900	182,300

Source: Shanghai Spring International Travel Services, Ltd.

The company finds Japan appealing as a tourist destination because the country has a wide variety of sightseeing sites and local specialties, attracting all generations from the young to the elderly.

At the moment, packaged tours that focus on tourist spots are popular, but in the future

the company plans to expand its attractions, such as skiing, medical treatment, aesthetic care, and school excursions, which can be experienced only in Japan.

In coordination with the group airline, the Spring Group as a whole aims at establishing a network between Japanese regional airports through deepening relations with regional cities and local governments in Japan. The company also aims to be a bridge between China and Japan to establish a win-win relationship for both countries.

Business expansion in Japan

Its Japanese subsidiary functions as a land operator - a company specialized in making "land-based" arrangements like accommodations, trips to sightseeing destinations and local transportation - for Chinese visitors to Japan. Licensed as a "Type 1 Travel Agency" in Japan, which is permitted to handle a variety of travel related areas including agent-organized tours in Japan and overseas, the subsidiary also sells packaged tours to Chinese destinations for Japanese tourists.

The company envisages strengthening cooperation with Japanese hotels and various transportation companies to expand its tourism business in the country.

The Spring Group also aims to further expand into domestic flight services to connect the cities where Spring already operates from Shanghai to other cities in Japan. The company plans to establish business bases in regions where it launches flight services.

JETRO's support

In order to support the company in setting up their Japanese base, JETRO's Invest Japan Business Support Center (IBSC)

provided a range of services such as free temporary office space, a multipurpose hall, consultation on company registration and taxation, and information on permitting processes for a travel agency license. The IBSC also introduced banks, industry groups and administrative scriveners for company registration.



Mr. Wang, Chairman of the Spring Group (left) and Mr. Yoko, Vice-Chairman of JETRO (second from left), during Mr. Wang's visit to JETRO in April 2012.

(February 2013)

Shanghai Spring International Travel Services, Ltd.

- 1981 Shanghai Spring Travel Services, Ltd. established
- 1987 Shanghai Spring International Travel Services, Ltd. established
- 2000 Chartered flight services reached 3,000 flights
- 2004 Spring Airlines Co., Ltd. established with a license from the Civil Aviation Administration of China
- 2005 Spring Airlines officially starts business
- 2010 Spring Airlines launches its first international flights: Shanghai to Ibaraki and Shanghai to Hong Kong
- 2011 Flight services between Shanghai and Kagawa launched
- 2012 Flight services between Shanghai and Saga launched
Japan Spring Travel Services, Ltd. Established

Japan Spring Travel Services, Ltd.

- Establishment: November 2012
- Business overview: Travel agency service
- Address: 7-7 Azumabashi 1-Chome, Sumida-Ku, Tokyo, Japan
- Parent company: Shanghai Spring International Travel Services, Ltd.
- URL: <http://www.chinaspringtour.com/>