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JETRO Switzerland Newsletter

Japan External Trade Organization

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Japanese handcrafted goods have been very popular in 2020

Interview with Mr. Carasso, from Sopha Diffusion

With 35 years of experience in importing Japanese handcrafted goods, Mr. Carasso from Sopha Diffusion has seen many trends during his carrier. The interest in Japanese accessories and furniture has never decreased. Not even during the current pandemic. He kindly shared his passion and experience with us.

Can you introduce Sopha Diffusion to our readers?

We are importers and distributors of Japanese furniture and home accessories. Our company is located in Meyrin (Geneva) and we also have added a French subsidiary entity for our sales in the EU (each market representing half of our sales).

We started this company with a couple of friends back in the mid -80s. I was living in Japan at the time.

We started with catalogue sales and attending trade fairs. Business then was completely different. We could not rely on the Internet. Importing procedures were also more complex. Plus, Japanese products did not have the good reputation that they have today.

Today, we do import and distribution of Japanese furniture and home accessories.



Mr. Carasso from Sopha Diffusion's warehouse in Meyrin (GE)

"Sopha", was a common name shared by many furniture companies. Today you can still find some of them. We are independent though.

You also have two shops in Geneva; can you tell us more about them?

It has never been our intention to have shops. Our core business is import and distribution. It really happened by case. For <u>La Maison</u>, one of our former customers was going to retire and asked us if we were interested to take it over. My wife is handling it. The second shop, <u>Yugen Lab</u>, is managed by my son Kaito.

We have no plan for additional shops. For us, those two shops

are like every other shop we work with. It is important not to compete with our customers with whom we have long and trustful relationships.

Do you have an online presence?

Our main website is <u>Sopha Diffu</u>sion. It is for professional customers. Three years ago, we also created an e-commerce website accessible to everyone. It is called "<u>Made in Japan</u>". Being online is a natural trend but also a precaution. Who knows what the market will look like in 10 or 20 years? We need to be ready.

(continued on page 2)

"The demand has been very strong over the last months"



(continued from page 1)

Again, for us it is very important to not compete with our main customers with both our shops and this website. The prices, for instance, are the same. We also try to reach a different clientele, a bit more premium.

What trend have you noticed with your sales in 2020?

At the beginning of the pandemic, I was concerned. Shops were forced to stay closed for several weeks. I was really expecting a bad year with 30% less sales compared to 2019.

Luckily, the sales have benefited from a catch-up effect at the reopening. Online sales were also very good. But what really saved our year was the Christmas season. The best ever according to our retail partners. In the end, our sales grew slightly in 2020.

Currently, we are experiencing some supply issues. It is difficult to organize new shipments at the moment. They are much more expensive and must be organized well in advance.

What are the most popular products?



Mugs have been incredibly popular lately. Actually, they are not mugs, but ceramic cups used for beer in Japan. People use them as tea mugs here. Tea has always been a driving force for us. Many shops have opened over the last 20 years. Once people start drinking tea, they want to have some proper accessories for it.

Large donburi (bowl) is also very popular, benefiting from the growing popularity of ramen.

We have also noticed a strong interest in handcrafted objects. Instead of buying a full set, people buy one or two unique pieces.

When you spend so much time at home, it is understandable you want to have nice things around.

How do you choose the products you import?

We mostly choose based on our own tastes. It is not difficult, as there are so many nice things to choose from! We try to have a few models in each category. If one product is selling well, we will increase the choice.

We only work with small companies. Often family businesses. It is a difficult profession. You need to bring an added value compare to the mass production. Recently, we added paper-based jewellery. Washi (literally Japanese paper) craftsmanship was inscribed in 2014 on the UNESCO Representative List of the Intangible Cultural Heritage of Humanity. It is amazing.

Was it difficult to maintain and



"Washi Jewelry "

develop business relationships during the pandemic?

It was more difficult to build new partnerships. Usually, I travel to Japan and meet companies there. Now we must do it online. Recently, I participated in a business matching event organized by JET-RO. We could identify a couple of interesting companies and products. Nonetheless, for some products you really need to have the product in your hand to appreciate it.

What makes Japanese products special?

There is an incredible tradition of handcraft. When you look at a tea box in wood or a ceramic plate, you can see the long history behind it. They are incredibly well finished. They age well and last for a long time. Plus, somehow it works well with customers of all ages and backgrounds. We have indeed, many young customers who sometimes have surprising ideas on how to use a product for a different purpose than the one it was made for. Like those beer cups used as tea mugs.

Donburi are very popular

Japan Street: A new online catalogue to find the finest Japanese products

JETRO introduced this new service in January of this year.

Japan Street is a new online catalogue service exclusive for JETRO buyers.

It allows you to easily search by words, category, producing area and so on. The service also has a handy recommendation function.

Japan Street has started with more than 500 Japanese companies proposing around 5300 products from which the buyers can choose. The number of available products will increase over time. Products available include foods, cosmetics, kitchenware, and even machinery.

With Japan Street you can easily send an estimate or meeting requests to any company in the service.

Registration is required to browse

the catalogue and use the other services, but there is no fee to sign up.

You can sign-in and try the service

by following this link:

pub/dnb/signup js When you sign-in, please contact us at: SWG@jetro.go.jp

https://www.jetro.go.jp/form5/



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Japan Street: A new JETRO service

The Great East Japan Earthquake: 10 years after

On March 11, 2011, at 2.46 PM (JST), Japan suffered from the most powerful earthquake ever recorded in the country. The North East Pacific Coast of Tohoku was devastated by the earthquake and the tsunami it caused. In Switzerland, what people recall the most is the Fukushima Daiishi nuclear incident caused by the tsunami. Luckily, it had a limited impact on people nearby and abroad according to a report from the World Health Organization. The tsunami, however, was catastrophic: over 15,000 casualties, thousands of injured and missing people, and hundreds of thousands of refugees.

According to a <u>World Bank's after-</u> <u>wards estimation</u>, the economic cost was USD 210 billion (about 320 billion today); it was the costliest natural disaster in history.

Ten years later, rebuilding is well advanced but still ongoing. Sadly, some people will never be able to return home.

Last year, the Ministry of Economic Trade and Industry (METI) created a <u>webpage in English</u> about the reconstruction efforts and achievement.

Among others, it highlights several beautiful destinations, events and food specialties people can enjoy in the region. We would also like to share a similar initiative from Yoshi Huggler and Thomas Köhler from Japan Ferien who helped greatly after the 2011 earthquake (Issue 119/April 2019).). They decided to publish a 44-page magazine based on their experience in the Sanriku coast to share the most beautiful travel destinations, culinary recommendations and much more.

The magazine "Ein Tropfen ins Meer" (A Drop in the Sea) will be published on March II and can be pre-ordered <u>here</u> (in German).

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TREND

Japanese Innovative companies: Vanguard Industries and First Ascent

INNOVATION

Innovative companies that attended the CES 2021. In total 51 companies were part of the CES 2021 Japan Showcase. Two of them won an "Innovation Award": Vanguard Industries Inc. (Best of Innovation 2021 Award) and First Ascent Inc. (2021 Honoree Award).



MOFLIN from Vanguard Industry

We start this series on Japanese Vanguard Industries Inc. has created an AI Pet called MOFLIN. Thanks to the in-house developed algorithm, MOFLIN is constantly learning from its interaction and sensors. MOFLIN grows thanks to this experience, responds and expresses its feelings. To put it simply, says the company, it's like you're interacting with a living pet.

> Founded in 2016, the company has conducted a successful Kickstarter campaign and benefited from wide media coverage.

> First Ascent Inc. has developed the first AI powered sleep trainer to

help your baby sleep. Ainenne is a bed lamp with an AI powered CryAnalyzer. The company worked with the National Center for Child Development Health and (NCCHD). Powered by data provided by thousands of parents, Ainenne delivers optimal circadian rhythms for your baby.

Baby SleepTrainer 🖰 ainenne



Ainenne from First Ascent Inc.



Agenda

Impact in Japan

March 02, 2021, 11-12.20 AM / Online / English

With the partnership of JETRO, S-GE and SJCC, this new online version of Impact in Japan will focus on two topics: the organization of the Olympic and Paralympics in August 2021 and the landscape of the MedTech Market in Japan.

The full program is available <u>here</u>. Participation is free of charge but <u>registration</u> are mandatory before March 1st

JETRO is a government-related organization that works to promote mutual trade and investment between Japan and the rest of the world. Originally established in 1958 to promote Japanese exports abroad, JETRO's core focus in the 21st century has shifted toward promoting foreign direct investment into Japan and helping small to medium size Japanese firms maximize their global export potential.

The JETRO Switzerland Newsletter can also be viewed and/or downloaded online: http://www.jetro.go.jp/switzerland/newsletter



Japan External Trade Organization

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