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JETRO Switzerland Newsletter

Japan External Trade Organization

Aux Merveilleux de Fred in Japan: one year later

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Interview with Alexandre Tranchellini, General Manager of the shop in Tokyo

Last year we <u>interviewed</u>, Mr Alexandre Tranchellini, who opened a "Aux Merveilleux de Fred" shop in Japan after moving there with his wife and four daughters. The shop opened on June 8th. We asked him how they were doing after one year of business.

What is your impression one year later?

I believe we are pretty much where we hoped to be at this point. The big surprise was COVID, but this is true everywhere.

How is your business going?

Business is going very well. It was obviously difficult to open because of COVID. We were three months late on the schedule. The initial opening was supposed to take place in February 2020, but we were reluctant to open during the state of emergency. Eventually, we opened on June 8.

We benefited from a good media coverage. People were curious about our products and they seem to appreciate them.

What is business like under COVID?

We actually have no way of



Special treat on the roof terrace. Check their Instagram for more pictures.

knowing how business would have been doing without COVID. As we opened during the pandemic, we cannot compare with a normal year. We have many customers, but would we have had more without COVID? We don't know.

Of course, we had to adapt. For instance, currently Tokyo Prefecture requires people to stay home after 8pm, which is our usual closing time. So, we close at 7pm to allow our employees to be back home in time.

We don't expect a big change in terms of work after COVID. But

on a personal level we will be very happy when our friends and family will be able to visit us.

What is the main challenge you have faced or are facing?

The most difficult thing is the language. We do not speak Japanese well enough to be completely independent when it comes to procedures. We often have to convince local companies that we can work together even if we do not speak the same language.

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Aux Merveilleux de Fred in Japan: one year later

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experience big problems. We reliable. worked with a local architect who worked with a lawyer without whom it would not have been possible. We also have a Japanese local accountant.

have?

We have 25 people working in the the products. shop including staff and family. Most of them are part-time workers. Our two elder daughters are working with us. The elder is in charge of the tearoom, including public relations and human resources. The second one is our chef and oversees the production and supply.

Have you adapted your products to the local market?

Not really, as we want to keep the original taste. We want our customers to have a taste of Europe when they visit us. We also kept the visual identity of the franchise. Thanks to the great quality of Japanese products, we can find most ingredients locally. For some like butter we have to import from France. The taste is slightly different.

What do you like best of doing business in Japan?

The quality of the employees, suppliers, and partners. We never had

a bad surprise. When something is planned, it goes according to plan. It was not easy, but we did not People are highly professional and

This means we have to be too. In knew perfectly how to do his job. Japan the regulations and require-It just takes some time. We also ments are very specific and detailed. Luckily, we are from Switzerland, so we know a lot about procedures.

This said, some regulations are really stricter here, such as the packag-How many employees do you ing for foodstuffs. It is highly regulated, with several layers to protect

What do you miss the most from Switzerland?

Our family and friends. A little bit of cheese perhaps.

Any advice you would like to share?

Keep your identity. Believe in your project. Find the right people.

It is also important to be respectful of the local culture and business practices. You need to find the right balance.

What product would you recommend?

You should just let your feelings and senses guide you.

We also indicate the top-selling products on the menu, so people know what is popular. When they have doubts, they often go for the top seller.

Aux Merveilleux de Fred Tokyo Yarai-cho 107, Shinjuku-ku, Tokyo



The shop has been doing very well since the opening on June 2020



Japan extends the state of emergency as a precaution measure

Prime Minister Suga explained to the press that the government, in accordance with experts, has decided to extend the state of emergency in Tokyo and eight other prefectures.

Japan was relatively spared from COVID in 2020 but faced an important third wave this winter. The Government declared the state of emergency on January 8, leading to a progressive improvement allowing the government to lift the state of emergency. Unfortunately, the trend reversed in March with new infections growing again. Eventually, on April 25 the government placed several prefectures under a state of emergency for the third time since the beginning of the pandemic. The state of emergency was set to last until the end of May. The situation has significantly improved, but the government wants to secure the progress made by

extending the state of emergency by another 3 weeks until June 20.

Vaccination in Japan

By law, a vaccine must be tested in Japan before it is approved by the Japanese health authorities. Therefore, Japan was delayed in the vaccination campaign, as local trials had to take place first. The country started the vaccination rollout at the end of February. After a few weeks of preparations and adjustments, the campaign has accelerated sharply. By April 26, two million people had received at least the first dose of the vaccine. One month later, over 10 million doses had been received, with 3 million people being fully vaccinated. Source: <u>Cabinet Office</u> (in Japanese)



TREND



Prime Minister Suga's vaccination covered by NHK (Japan National Television)

Japanese economy: 2021's first quarter still affected by COVID

From January to March 2021, the Japanese economy was still negatively impacted by COVID with a – 1.3% contraction of the GDP (quarter-onquarter, seasonally adjusted). Year-on-year the decrease was –1.9%. Both private demand (– 0.9%) and public demand (–1.6%) have contracted. Exports and imports have continued their recovery with a 2.3% and a 4% growth respectively.

External trade has therefore con-

tinued to support the economy after a strong recovery in 2020's last quarter. During the first half of 2020, it was the opposite. Trade plummeted more dramatically, as global trade was strongly affected by the pandemic.

In January and early February, Japan was facing the worst of the third wave with over 6,000 daily new cases. From a Swiss perspective, those numbers do not look so bad, but for Japan it was about 3 to 4 times more than during the previous waves. Inevitably, this wave reflected on the quarterly figures. Nonetheless, the contraction in the last quarter has not erased the recovery made during the second half of 2020.

Source: Cabinet Office of Japan

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TREND

Swiss Open Innovation Webinar: Focus on three start-ups

革新

Bern Area organized an online yields. event focusing on agricultureoriented drones.

The purpose of this business matching event was to introduce Swiss start-ups and institutes to Japanese investors.

Over 100 people joined the event, which successfully promoted the Swiss Agritech drone industry.

The three start-ups who attended the event were: Aero41, Ecorobotix, and Gamaya.

<u>Aero41</u> is developing a drone entirely dedicated to crop protection, a flexible and intelligent platform that will integrate AI and collect data to make crop protection more and more eco-responsible while

JETRO and the Greater Geneva effectively ensure the necessary Bern Area organized an online yields.



ecoRobotix is developing a revolutionary weed killer robot, fully automatic and solar-powered. It detects weeds among crops and destroys them using 95% less chemicals. No driver, no tractor, no energy, few herbicides: weeding costs are heavily reduced as well, up to 50%. ecoRobotix has been classified as one of the best Agtech startups by Forbes.

🚳 ecorobotix

<u>Gamaya</u> improves the efficiency and sustainability of farming businesses by offering unique and compelling agronomy solutions, enabled by hyperspectral imaging and artificial intelligence. Gamaya's decision to support and automate services helps industrial farmers reduce costs related to water, chemicals, fuel and manual labour, while also reducing environmental impact and improving the quantity and quality of their produce.





Agenda

Stay tuned!

AGENDA

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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