

Inside this issue

The Nature of Time: Grand Seiko enjoys fast growing demand 1 + 2 + 3

Key findings from the annual survey on business conditions overseas 3

Hydrogen-related patents: Japan and Europe are leading the way 4

会見

INTERVIEW

The Nature of Time: Grand Seiko enjoys fast-growing demand

Interview with Grand Seiko at Watches and Wonders in Geneva

The Grand Seiko team present at Watches and Wonders kindly took the time to meet us despite their busy schedule during the main watchmaking trade fair. We discussed their core values, recent records and awards, as well as their ongoing business and impression of Watches and Wonders.

Could you introduce Grand Seiko and how it is different from Seiko?

Grand Seiko was born in 1960, aiming for the best possible quality in a watch. While the Seiko brand today has a large range of premium watches (dress watches, sport watches, GPS Solar watches, etc.), Grand Seiko is a luxury watch brand that represents the highest level of the company's watchmaking know-how. In 2017, the decision was made to separate Grand Seiko from Seiko as each brand has its unique identity and characteristics.

What are the qualities to be expected from a Grand Seiko watch?

There are five criteria every Grand Seiko watch must have: high legibility, durability, accuracy, beauty, and usability. These qualities are all expected from a Grand Seiko watch. Grand Seiko watches will often



The Tentagraph is both a technical and aesthetic master piece

distinguish themselves from others thanks to Japanese handcraft techniques and aesthetic inspiration from Japanese landscape and culture. In Japan, there is a spirituality of time explored in our watches under the philosophy, "The Nature of Time." For instance, the dial of the Grand Seiko's first mechanical chronograph, the Tentagraph, which we proudly present this year, is inspired by the ridged contours of Mount Iwate by the Grand Seiko Studio Shizukuishi, where all Grand Seiko mechanical watches are assembled by hand.

Could you introduce your current range of products?

We have five collections. The Masterpiece Collection offers watches of the highest order made by an elite team of the company's most skilled watchmakers.

Evolution 9 features watches with our latest technologies, materials, and components (the Tentagraph belongs to this collection). The Heritage collection is summarized by breathing new life into tradition. Elegance focuses on beautiful watches with everlasting refinement. In the Sport collection, you will find sport watches with robust, powerful designs, including diver's watches.

Grand Seiko has a very positive image among collectors and connoisseurs. How do you explain that?

Until our introduction to the overseas market in 2010, Grand Seiko was regarded as a secret brand in the international watch community.

(continued on page 2)

The Nature of Time: Grand Seiko enjoys a fast-growing demand

(continued from page 1)

会見

INTERVIEW

Until then, Grand Seiko was only available in Japan and known to only a few fans outside of Japan. Thanks to our constant commitment to quality, and the uniquely Japanese beauty of Grand Seiko, more and more people began to realize Grand Seiko's quality watchmaking and how they are made to last a lifetime.

Grand Seiko's watches have been awarded numerous prestigious prizes showing your dedication to constant improvement; is this Kaizen spirit part of your DNA?

The spirit of our founder, Kintaro Hattori, was to be "Always one step ahead of the rest." This philosophy has guided our company ever since, and we continue to push back the boundaries of watchmaking. In 2022, we presented Grand Seiko's first-ever mechanical complication watch, the Kodo Constant-force Tourbillon. It was the very first watch in the world to incorporate a constant-force mechanism and a tourbillon as one unit on a single axis. Since the project's initial conception, the watch took us ten years to develop.

Can you tell us more about the "Grand Seiko Hi-Beat 36000 80 hours SLGH005", which was awarded the 2021 Men's Watch Prize of the Grand Prix de l'Horlogerie de Geneva?

We regard Caliber 9SA5 developed for this watch as a revolution in Grand Seiko's watchmaking. High-beat watches (36,000 vibrations



Grand Seiko outstanding booth at Watches and Wonders 2023 is inspired by Japanese values and aesthetic

per hour) are more accurate but use more energy and thus have a low power reserve. Thanks to the entirely new escapement developed for Caliber 9SA5, it is possible for the watch to have a power reserve of 80 hours. Not only is this caliber more accurate and has a long power reserve, but it is also slimmer than its predecessors, thanks to a brand-new design.

Watches and Wonders is establishing itself as the new leading event for the watchmaking industry. What is your opinion about it?

It is the second year for us to attend Watches and Wonders. It is great to meet all the industry professionals face-to-face and to feel the energy. We believe our participation has cemented Grand Seiko's international recognition as a luxury watch brand. It certainly contributes to the current great growth we are enjoying worldwide, especially in Europe.

Which watch do you want to highlight here?

The Tentagraph, Grand Seiko's first mechanical chronograph, which has the longest power reserve (72 hours) for a 10-beat chronograph in the industry today (based on our research.) Tentagraph is the contraction of the watch's characteristics: ten beats per second (high-beat), three-day power reserve, and automatic chronograph.

Have you experienced difficulties related to supply chain issues or an increase in raw materials costs since the pandemic?

Making a watch requires highly skilled watchmakers. Our main challenge currently is to answer the fast-growing demand. We need to increase our production capacity while keeping the same level of quality. At our studio in Iwate prefecture, our master craftspeople directly train the next generation of watchmakers.

(continued on page 3)

The Nature of Time: Grand Seiko enjoys a fast-growing demand

(continued from page 2)

In 2020, you opened the first Grand Seiko boutique in Europe in the famous Place Vendôme of Paris. What were the reactions, and do you have any plans for future openings?

The reactions have been very posi-

tive. Its beautiful design represents the essence of Grand Seiko: “The Nature of Time.” It is our first boutique in Europe, and our sales are growing fast. Although we do not have concrete plans at the moment, we believe it is essential to invest in boutiques as the worldview of our brand can be communicated direct-

ly to our customers. There is an emotional element in high-quality luxury watches, and it is crucial to see and hold the watch with your own eyes and hands.

More information on [Grand Seiko Website](#)

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INTERVIEW

Key findings from the annual survey on business conditions overseas

Every year, JETRO conducts a survey on the business conditions of Japanese affiliated companies overseas. 7,173 companies operating in 86 countries from all over the world answered

the survey for the year 2022. 857 companies in 22 European countries, including Switzerland, answered the survey (59.3% response rate). In this article, we will share the key findings at the global level.

Profit back to pre-Covid level

In 2022, 64.5% of the companies that answered the survey were expecting a profit. This figure grew by 1.9 points compared to 2021 and is now back to the pre-Covid level (65%). 17.6% of the companies were expecting a loss.

The top 5 industries are IT and office equipment (79%), non-banks (76.1%), sales companies (75.3%), transportation and warehousing (75.2%), and electrical and electronic equipment (74.3%).

60.5% of the companies in the hospitality industry were anticipating a loss.

Business confidence

The survey shows significant discrepancies among countries when it comes to business confidence. The DI (Deterioration/Improvement) value is the balance of the companies' market anticipations. China saw the biggest slump among the five main markets with -29.8 points, going down to -15.1 (the Zero COVID policy led to quarantine in 2022). Vietnam instead had the biggest growth with +30 points, going up to 25 points. Nonetheless, the market where Japanese companies are anticipating the highest improvement is India, with a DI score of 51.3 points (+2.4 points). Companies in Germany (-29.5 points, down to 11.4 points) and the USA (-17.2 points, down to 17.5 points) suffered from high logistic costs and higher raw material and procurement costs.

Willingness to expand business

With regard to the DI index, Japanese companies are more eager to expand business in Southeast Asia, India, the Middle East, and South

America. Expansion plans in Europe are on hold due to the war, and COVID caused concerns in China in 2022.

Russia is a unique case, as nearly 60% of the companies are withdrawing or reducing their activities and 41.7% are on hold.

Revision of the supply chain due to lasting issues

Global supply chains have been in deep trouble for several years already. As a result, 60% of manufacturers will revise their supply chains in the future. 55.5% of companies in Europe are planning future revisions, and 48.9% have already conducted some.

Covid left a mark in the way companies are organizing their supply chains; 77.2% of companies that produce medical equipment are planning revisions, often prompted by governments willing to secure a more local production.

Sources: [JETRO](#)

分析

ANALYSIS

革新

INNOVATION

Hydrogen-related patents: Japan and Europe are leading the way

According to the World Economic Forum (WEF), Europe and Japan are currently leading the way when it comes to hydrogen research. Quoting a study from Hydrogen Patents for a Clean Energy Future, the WEF points out that European companies account for 28% of all international patents related to hydrogen, followed by Japan (24%).

The USA are not far behind, with 20%. While China has seen the fastest growing number of patents in recent years, the country accounts for only 4% of patents worldwide, just behind Korea (7%).

Discrepancy between production and usage

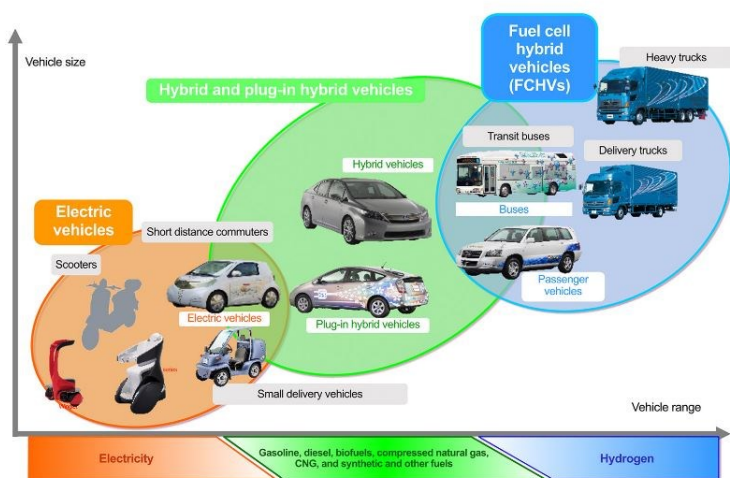
Currently, there is a discrepancy between the patents related to production and the ones related to

usage. In this regard, it is interesting to say that Japan ranks first when it comes to end-use applications (28%), whereas Europe leads in production (28%) and storage (33%).

Automotive and climate change are driven forces for developing hydrogen-based technologies. Climate

protection accounts for 80% of the reason behind developing hydrogen-based technologies. Automotive is the main beneficiary at this point, representing more than 75% of the patents compared to Aviation and Shipping.

Source: [World Economic Forum](https://www.weforum.org/)



Hydrogen is especially suitable for large vehicles requiring long range.

@ Ministry of Economy, Trade and Industry and Toyota

Agenda

活動

AGENDA

- ✓ Tax event for Japanese Corporate Clients
- PwC, JETRO Geneva and S-GE joint event
- Detailed program and registration available following this [link](#)
- May 31, 2023 - 3.15pm - 5pm
- PwC Bern, Bahnhofplatz 10, 3001 Bern

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>



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