There was no sign of a nearing recession in Japan in the past month, as the main indicators continued to highlight the strong impact the global economic downturn had on the economy. Industrial production fell a seasonally adjusted 9.4% in February, marking the fifth consecutive month of output decline. Although that represents an improvement from the record 10.1% fall in January, it is still too early to claim that production has bottomed out. Production of transportation equipment, including cars and trucks, led the pack with a 22.5% fall.

Meanwhile, wholesale prices registered their largest drop in almost seven years, fueling fears that Japan is falling further into deflation. The bad news prompted large Japanese manufacturers to express their worries in the Bank of Japan’s quarterly Tankan confidence index, which registered its biggest drop since its inception in 1974.

Unsurprisingly, corporate failures have also been on the rise. In fiscal year 2008, which ended on March 31, 16,146 firms went bust, up 12.4% from the previous year. Of those, a record 45 were stock exchange-listed companies. Unemployment also reached a three-year high of 4.4%. As a result of the economic situation, Prime Minister Taro Aso launched a $154 billion fiscal stimulus on April 10. The money, which amounts to roughly 3% of Japan’s GDP, comes on top of the $120 billion that has already been allocated to previous stimulus packages. The government expects the package to raise the real growth rate by 2% in 2009 and create up to 500,000 jobs.
Regional Industry Tie-up (RIT) project: Suwa

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JETRO’s RIT program aims to link Japanese regions with other parts of the world in order to create new industries and stimulate business in those regions. The program offers a perfect opportunity for foreign regions interested in partnering with Japan but lack the resources or network to make such connections. JETRO utilizes its wide network in Japan and overseas to help create and maximize the success of such partnerships.

The Suwa region is the leading industrial area within Nagano Prefecture and is known as the “Oriental Switzerland” for its highly developed machinery industry. It has Japan’s most advanced concentration of subcontractors supporting multinational corporations with their precision machinery, optics and other supermicro technological capacities.

Well known manufacturers such as Seiko, Epson and Olympus were born out of the innovative labs of the Suwa region. By the 1990s, the region became an integral provider of product development and manufacturing for computer and electronic components, LCDs, automotive parts, semiconductor process equipment and optical devices.

Originally, this RIT project started when Suwa’s Desktop Factory (DTF) Research Consortium (www.dtf.ne.jp) contacted JETRO Suwa to apply for an RIT project. Taking advantage of the very high level of technology available in Switzerland in microtechnology, it was decided that this RIT project would link Suwa with Switzerland.

It is within this framework that a small delegation from Suwa visited Switzerland in January, with JETRO Geneva acting as a coordinator. The purpose of this visit was manifold, ranging from preparations for the visit of a larger delegation in May to the visit of some Swiss firms to invite them to the Suwa Area Industrial Messe (www.suwamesse.jp/en/), which will be held in October this year. The delegation also made preparations for its participation in the Professional Microtechnology Environment Show (www.epmt.ch), which will take place in Lausanne on May 12 to 15, 2009.

In May, the Suwa delegation will, among others, have a full-day meeting with SMEs from Canton Solothurn, which has a strong tradition in precision engineering, machinery and manufacturing, before visiting the EPFL to sign a Memorandum of Understanding between the DTF Research Consortium and the school.

The DTF Research Consortium consists of 22 member companies and 7 supporting organizations, which include the Ministry of Economy, Trade and Industry (METI) and the Nagano Prefectural Institute of Technology. Together, they engage in joint research on DTF in order to promote the Suwa area as a leader in this field.

But what is DTF? In Japan, in the 1980s, there were calls to rethink the relationship between manufacturing and society, notably in light of the growing issues of climate change and energy use. As a result, concepts such as micromachines, microfactory and desktop factory emerged.

The DTF concept includes several points. First, it is about producing small items with small systems – small enough to put them on a desk. Small lot production is also one component, with particular emphasis on speedy production, short delivery time and low production costs. Finally, environment-friendliness is a key component. All in all, the DTF concept aims to develop products that will save energy, resources and space.

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Standards affect us all on a daily basis. From household appliances to escalators and the chairs we sit on, almost every product we use is somehow related to standards. Yet we consumers often don't know very much about standardization. We buy products thinking that they are safe, but too often they are not. This lack of awareness means that standardization bodies often have a hard time taking the consumer's voice into account, a problem Japan is currently trying to solve.

It is in this context that JETRO Geneva, as representative office of the Japanese Industrial Standards Committee (JISC), sent a small delegation to Brussels to study the role of consumers in the European standardization system. The delegation was first welcomed by Mr. Stephen Russell, Secretary General of ANEC, “The European consumer voice in standardization”. He echoed the numerous difficulties facing his organization. He said: “Consumers don’t know we exist, but they would realize if we didn’t exist, because we deal with matters that affect consumers everyday. We need to think about things that consumers wouldn’t think about.”

The delegation then visited CEN-CENELEC (CEN: European Committee for Standardization; CENELEC: European Committee for Electrotechnical Standardization) offices, where it was received by a number of representatives of both committees. Views on consumer representation in standardization were exchanged and valuable ideas were obtained.

This trip to Brussels enabled the Japanese delegation to better understand the role of consumers in European standardization, an experience that will undoubtedly improve the integration of consumer interests in the Japanese standardization system as well.

Hayao Miyazaki, or when anime goes global

Following an exceptional reception in Japan (it has been seen by one out of ten Japanese), Ponyo on the Cliff by the Sea, Hayao Miyazaki’s latest masterpiece, has finally hit the Swiss screens. Having received excellent critiques throughout the world, Ponyo will certainly rekindle this genre’s popularity in Switzerland, having already taken off in recent years with other Miyazaki features such as Princess Mononoke and Spirited Away.

A cult figure among fans of manga and anime (Japanese animated features), Miyazaki has helped to raise the awareness of the anime genre outside Japan to the public at large, beyond the mind-numbing animated TV series of old such as Grendizer or Captain Future. International critics finally recognized his work in 2002, when Spirited Away was awarded the Golden Bear at the Berlin Film Festival as well as an Oscar for ‘Best Animated Feature’. This year, the anime genre will for the first time be at the center stage of a major international film festival. Indeed, the Locarno International Film Festival (August 5-15) has decided to allocate its traditional retrospective, which usually focuses on film directors, to the world of Japanese animation. This retrospective, called ‘Manga Impact’, will offer a journey through the history, origins, genres and styles of anime. In collaboration with Turin’s National Museum of Cinema, the Locarno Festival will also organize an exhibition and a comprehensive book on the subject.

The world of anime has come a long way since its birth in 1956, and Hayao Miyazaki has undoubtedly made a huge contribution to this phenomenon, which is increasingly recognized for what it is: true art.
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.

Professional Microtechnology Environment Show
May 12 to 15, Beaulieu, Lausanne

Within the framework of the JETRO RIT program, the Desk Top Factory Research Consortium from the Suwa region in Japan will attend this trade fair. Three companies from that consortium will present their products at a booth.

For more information, please contact us at: jetroge@jetroge.ch

Other trade fairs:
In order to find trade fairs you might be interested in, we highly recommend the use of our J-messe website. This extensive trade fair database offers comprehensive information on fairs and exhibitions held not only in Japan, but on a global scale.

You can search by industry, location and date.

If you are interested, please go to: