

Special points of interest:

- Japan's GDP grew 0.9% during the third quarter of this year, 3.9% at annualized rate.
- "Thanks to Zeria's very stable financial and business situation, it could support the expansion of Tillotts into new markets, especially in Asia where Asacol® was not sold", Haruyuki Takeuchi explained.
- Founded in 1975, the Swiss Japanese Chamber of Commerce (SJCC) celebrated on October 23, 2010 its 25th anniversary.
- JETRO took part in two business seminars in Zurich and Lausanne celebrating the entry into force of the Free Trade and Economic Partnership Agreement (FTEPA) between Switzerland and Japan.

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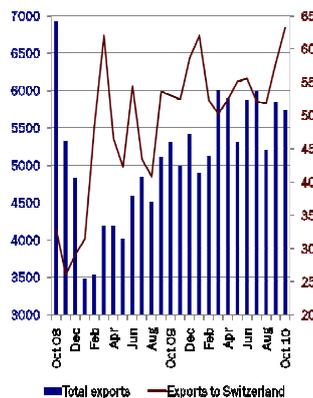
Japan's current economic situation

Bank of Japan (BoJ) asserted in its November Report of Recent Economic and Financial Development that "Japan's economy still shows signs of a moderate recovery, but the recovery seems to be pausing".

Japan's GDP grew 0.9% during the third quarter of this year (3.9% at annualized rate), against 1.6% in the first quarter and 0.4% in the second quarter. Moreover, according to the BoJ Regional Economic Report issued in October, all regional economies "had either recovered at a moderate pace or picked up".

The index of industrial production increased 9.7% to 92.8 (2005=100) in September 2010 from previous year. However, this index slightly declined 1.6% from previous

Japan's exports (in billion yen)
Source: Japan's Ministry of Finance



month. Confirming this trend, the coincident index of business conditions was of 102.1 in September (2005=100), up 12.1% year-on-year but down 1.2% from previous month.

Japan's exports continued to increase, but the pace of improvement is slowing down. In October 2010, exports rose 7.8% from

previous year to ¥ 5,724 billion. Exports were up 11.3% to Asia and up 4.8% to North America. Exports to Western Europe remained stable year-on-year, while exports to Switzerland grew 19.3%. Japan's imports also increased 8.7% to ¥ 4,902 billion in October from previous year.

On the domestic front, the employment situation slightly improved. The unemployment rate was of 5.0% in September, showing a decrease of 0.1 point from previous month and of 0.6 point from the July 2009 record high of 5.6%.

In addition, the index of consumer price was 99.8 (2005=100), down 0.6% over the year, but up 0.3% from previous month.

Zeria's support to the expansion of Swiss pharmaceutical firm

Tillotts Pharma AG is a Swiss pharmaceutical company headquartered in Rheinfelden, in the Canton of Aargau. On September 1, 2009 Tillotts was acquired by the Japanese firm Zeria Pharmaceutical Co., Ltd.

When Zeria acquired Til-

lots, Mr. Haruyuki Takeuchi, Member of Zeria's Board of Directors, also became Corporate Alliance Director and a Member of Tillotts' Board of Directors. With a degree in chemistry and Masters of Business Administration, Mr. Takeuchi started

to work for Zeria in 1978. Now, spending nine months per year in Switzerland and the rest in Japan, he has become "a bridge of communication between both companies", he said.

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Zeria's support to the expansion of Swiss pharmaceutical firm



Haruyuki Takeuchi, Member of Board of Directors, Zeria, Corporate Alliance Director and Member of Board of Directors, Tillotts.

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Tillotts' outstanding situation

Tillotts manufactures two pharmaceutical products: Asacol®, a drug used to treat Inflammatory Bowel Diseases (IBD), which affect the colon and small intestine and Colpermin®, a drug used in the treatment of symptoms of Irritable Bowel Syndrome (IBS), a gastro-intestinal disorder. "The technology used by Tillotts to turn the liquid ingredient into gel is very specific and unique", states Mr. Takeuchi. Tillotts employs more than 130 people in Switzerland, Ireland and Nordic countries. "The company is in a very good financial situation. Sales and profits are growing; the number of employees is also increasing", he said. At the end of 2009,

Tillotts moved its headquarters from Ziefen (Basel-Country) to Rheinfelden. The move was completed on January 1, 2010. This new location, in the heart of the Basel's pharmaceutical area, is more convenient for both Tillotts employees and their customers and partners: "We are now on the train line from Basel to Zurich, only 15 minutes from Basel", said Mr. Takeuchi.

Zeria's support to Tillotts' business

On September 1, 2009, Tillotts became part of the Japanese pharmaceutical firm Zeria.

"Zeria was a company focused mainly on the domestic and Asian markets; it did not have much experience at the international level", said Mr. Takeuchi. As Tillotts is pre-

sent in over 50 countries, Zeria took this opportunity to expand its geographical scope to Europe, the Middle East and the rest of Asia.

"Thanks to Zeria's very stable financial and business situation, it could support the expansion of Tillotts into new markets, especially in Asia where Asacol® was not sold", he explained.

Established in December 1955 and headquartered in Tokyo, Zeria employs 1,280 people worldwide. Its net sales are ¥50,745 million (as of March 31, 2010: Consolidated). Zeria sells ethical products, primarily gastrointestinal drugs, and a wide selection of OTC products.

According to Mr. Takeuchi, "Both companies are happy with this situation. Zeria highly appreciates the work done by Tillotts".

SJCC celebrates its 25th anniversary



Henry Wegmann, President of the Swiss Japanese Chamber of Commerce (SJCC)

Founded in 1985, the Swiss Japanese Chamber of Commerce (SJCC) celebrated on October 23, 2010 its 25th anniversary. Gala participants enjoyed a four course dinner created by Chef Heiko Niederer, musical performances and a tombola. Sponsored among others by Toyota, the tombola's benefits were donated to the UNESCO "2010 - International Year for the Rapprochement of Cultures".

In his speech, Henry Weg-

mann, President, recognized the efforts made for the successful development of the SJCC. SJCC is today made up of 300 members, half of them consisting of individuals, half of them being companies.

He also emphasized the strong expansion of Swiss-Japanese relations in the past 25 years and the importance of the conclusion of the Free Trade and Economic Partnership Agreement in 2009. Today, about 150 Swiss

firms are present in Japan. He also mentions his personal experience in doing business in Japan, which has began in 1979. He emphasized the importance of understanding Japanese culture while doing business: "I have always felt that in Japan, doing business was a two way street, even though very often extremely tough negotiations took place. Never did I do a business trip without adding a visit to a shrine, a temple, a garden, etc".

FTEPA seminars in Zurich and Lausanne

Two seminars celebrated the first anniversary of the entry into force of the Free Trade and Economic Partnership Agreement (FTEPA) between Switzerland and Japan on September 1, 2009.

Swiss Japanese Chamber of Commerce (SJCC) and JETRO organized the first seminar on November 10, 2010, in Zurich. Attended by more than sixty people, this seminar began with the welcome speech of Henry Wegmann, SJCC President.

Centre Patronal and JETRO set up the second seminar in Lausanne on November 11, 2010. The seminar started with the welcome speech of Christophe Reymond, Centre Patronal Director.

H.E. Mr. Komatsu, Ambas-

sador of Japan in Switzerland, stressed the importance of the agreements recently signed to strengthen the relations between the two countries.

H.E. Mr. Fivat, former Ambassador of Switzerland in Japan, who took part in the FTEPA negotiations, emphasized the advantages for Swiss companies to expand their business activities in Japan.

Participants were also informed by Mr. Billeter, Head of Bilateral Economic Relations Asia/Oceania, that the Subcommittee on Promotion of a Closer Economic Relationship held its first meeting in Tokyo on June 1, 2010 and will meet again early next year.

The results of a study

about the FTEPA carried out by the Universities of Zurich and St. Gallen were also presented.

Michiaki Watanabe, JETRO Geneva Director General, underlined the positive impact of the strengthened relations between the two countries. He also outlined Japan's policy to reduce the corporate tax.

In addition, some participants presented the activities of Swiss companies doing business in relation with Japan: Fibag AG (importer of Kawasaki cycles), Lotaris SA (mobile security solutions), Matisa SA (manufacturer of machines dedicated to track construction and maintenance) and JMC Lutherie (designer of "the soundboard").



Speech of H.E. Mr. Komatsu, Ambassador of Japan in Switzerland, at Zurich's seminar



Speech of H.E. Mr. Fivat, former Ambassador of Switzerland in Japan, at Lausanne's seminar

JETRO participation in Gastronomica

JETRO held a booth at Gastronomica, Lausanne's trade fair for hotel and restaurant industry, which took place from November 7 to 10.

Japanese sakes, shochus (distilled beverages) and liquors were exhibited by importers: Ueno Gourmet, Ishimitsu & Co., Ltd., Midorinoshima, Spyglass

Trading GmbH and Japan Concierge AG.

JETRO also set up a seminar on November 9 to introduce Japanese sakes. Yumiko Aihara, Japanese food journalist, explained the sake brewery process and history. She also presented eight different Japanese alcoholic beverages.



Yumiko Aihara, Paris-based Japanese food journalist



JETRO booth at Gastronomica

2010 Japan Day in Uster

Canton of Zurich and Uster City organized the Japan Day event for cultural exchanges on October 26 in Uster, near Zurich.

Speeches were delivered by representatives of both Swiss and Japanese au-

thorities. Some children enrolled at the Japanese school played traditional songs. The ceremony ended with Swiss alphorn performances.

Founded in 1975, Zurich Japanese school provides

full time teachings and part-time lessons for children in Uster.

Hideaki Fujita, Head of Zurich Japanese school



Tokyo remains the world's best place of restaurants

Michelin Guide, the guide for exceptional restaurants, names in its Tokyo 2011 edition 14 three-stars restaurants, 3 more than last year. As a consequence, Tokyo is the city with the largest number of three-stars restaurants in the world.

In addition, the guide awards 54 two-stars and 198 one-star restaurants.

This new edition includes Tokyo but also two neighboring cities, namely Kamakura (on the Pacific sea) and Yokohama (on the Tokyo bay).

Michelin also issued on October 19, 2010, the

Kyoto Osaka Kobe 2011 Guide. This Guide references 12 three-star restaurants, 44 two-star restaurants and 183 one-star restaurants.

Both guides includes a new pictogram indicating restaurants with meals for less than ¥ 5,000 (about CHF 60).

Published for the first time in 1900, Michelin Guide was initially intended for drivers. In 2011, Michelin will publish guides covering 23 countries and providing a selection of about 15,000 restaurants, including only 90 three-stars restaurants.

City	***	**	*
Tokyo	14	52	174
Yokohama	-	2	14
Kamakura	-	-	10
Kyoto	7	22	71
Osaka	3	12	75
Kobe	2	10	37

2011 major trade fairs in Japan

Date	Trade fair name	Venue
16 th - 18 th February	nano tech 2011 International Nanotechnology Exhibition & Conference	Tokyo Big Sight
1 st - 4 th March	FOODEX JAPAN 2011 (The 36 th International Food and Beverage Exhibition)	Makuhari Messe
24 th - 27 th March	Tokyo International Anime Fair 2011	Tokyo Big Sight
20 th - 21 st April	MEDTEC Japan 2011 (Medical Technology)	Pacifico Yokohama
6 th - 8 th July	GIFTEX 6 th International Variety-Gift Expo Tokyo	Tokyo Big Sight
13 th - 15 th July	ROBOTECH (Next generation manufacturing technologies)	Tokyo Big Sight
15 th - 18 th September	Tokyo Game Show 2011	Makuhari Messe
29 th September - 2 nd October	MECT 2011 (Mechatronics Technology)	Port Messe, Nagoya

Agenda

27th Jan. 2011: Japan Night in Davos

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 Geneva Newsletter can also be viewed and/or downloaded online:

<http://www.jetro.go.jp/switzerland/newsletter>

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