

**Special points of interest:**

- In 2010, 19.7% of the total number of international patents filings originated from Japanese firms. Japan's economy is therefore the world's second largest source of international patents filings.
- Sumitomo Corporation is one of the leading firms in the Japanese business arena, with its business continuously expanding into a diverse range of products and services, including mineral resources, energy, chemical and electronics.
- Japan's government implements a Subsidy Program for Promoting Site Location in Japan. Its purpose is to attract global companies R&D centers and Asian headquarters in Japan.
- The Kumon Leysin Academy of Switzerland organized an Open-House day on February 19, 2011.

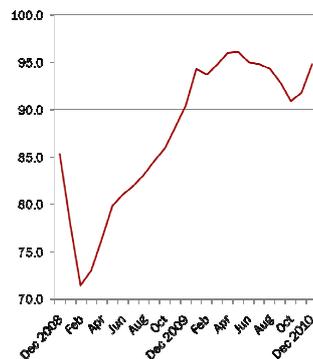
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## Japan's current economic situation

According to the Bank of Japan, "Japan's economy is expected to emerge from the current deceleration phase and return to a moderate recovery path" (Monthly Report of Recent Economic and Financial Developments, February 2011). Indices show that Japan's economy decelerated by the end of 2010 and is now recovering. Japan's GDP declined on a quarterly basis 0.3% during the 2010 fourth quarter from previous quarter (seasonally adjusted). Indices of industrial production also slightly declined from 96.1 in May to 90.9 in October 2010, but then rose 4.9% year-on-year to 94.8 in December, showing a recovery trend (2005=100). Confirming this evolution, orders received for machinery were down 8.3% in November from previous month and then up

Indices of industrial production  
2005=100  
Source: METI



6.6% in December from a month earlier. Furthermore, the business situation of Japan's largest enterprises recovered from the crisis. The profit before tax of stock exchange listed companies increased 53% from April-September 2010 to October-March 2011 (provisional). Their profits are now similar or higher than before the crisis. Stimulating the economy, exports increased 6.7% in January 2011 from previ-

ous year (first 20 days provisional). Imports also rose 8.2% during the same period. Japan's economy benefits from the innovation of its corporations. It remains the world's second largest source of international patents filings after the United States. In 2010, 19.7% of the total number of international patents filings originated from Japanese firms, showing an increase by 7.9% from previous year. Panasonic Corp. is the company that filed the largest number of patents in the world (2,154 applications). The domestic economic situation is also progressively improving. The unemployment rate declined from 5.1% in November to 4.9% in December, marking a decline by 6.0% from previous year. The consumer price index remains stable from previous year at 99.6 (2005=100).

## Summit Minerals trades natural resources in Zug

Located in Zug, Summit Minerals GmbH is a company trading silver, zinc and lead produced at San Cristobal mine, in Bolivia. It is part of Sumitomo Corporation, a large commodity trader headquartered

in Tokyo. Takunari Ikegami has been in Zug since this office opening in 2007, and became the President of the Swiss subsidiary in 2010. Whereas he worked in South America

(Mexico and Chile), this position in Switzerland is his first experience in Europe.

*(Continued on page 2)*



Takunari Ikegami, President,  
Summit Minerals GmbH

## Summit Minerals trades natural resources in Zug

(Continued from page 1)

Established in 1919, Sumitomo Corporation is one of the leading firms in the Japanese business arena, with its business continuously expanding into a diverse range of products and services, including mineral resources, energy, chemical and electronics. It has a paid-in capital of ¥ 219.3 billion (about CHF 2.5 billion, as of March 31, 2010).

### Zug, favorite trading city for natural resources

The main responsibilities of its Swiss subsidiary are the marketing and logistics arrangement of the silver, zinc and lead production of Bolivian San Cristobal mine.

Annual negotiations for fixing prices last about five months, generally from October to February. If more commodities can be sold during the year,

“spot contacts” are held. As they are few suppliers of raw materials and they have to deliver their commodities, negotiations can take a long time.

“Zug is a favored place for the trading of mining resources”, explained Takunari Ikegami. “As many market participants are here, it is easy to have a market contact and access to information”, he argued.

Summit Minerals also locates in Zug for tax reasons. However, according to Mr. Ikegami, “there are many other low corporate tax areas, but quality and accessibility of information are the highest in Zug”.

### Support to the Bolivian local community

Bolivian mine’s production started in late 2007. In March 2009, Sumitomo Corporation acquired all the shares of the mine.

Minera San Cristobal S.A. is now the largest private enterprise in Bolivia. Its zinc production is number 6 in the world and its silver production number 3. “The current situation is very good. The mine’s production is good and our marketing position is strong. Although we have not started investment recovery yet, we are paying tax in Bolivia and Switzerland”, Mr. Ikegami said.

Sumitomo Corporation supports the sustainable development of the Bolivian local community. It contributes directly through the employment of approximately 1,200 people, but also through education, professional trainings and medical services. “We consider that it is important to contribute to their development on a long-term basis so as to ensure that they can enjoy their life even when the mining production will be finished”, he said.

## Japan’s actions to attract businesses

Japan’s government implements a Subsidy Program for Promoting Site Location in Japan. Its purpose is to make Japan Asia’s center for business.

Eligible projects are those establishing a new Head Site or R&D Site. In addition, applicants shall have a corporate status in Japan and belong to a corporate body consisting of group companies that are running an actual business in two or more

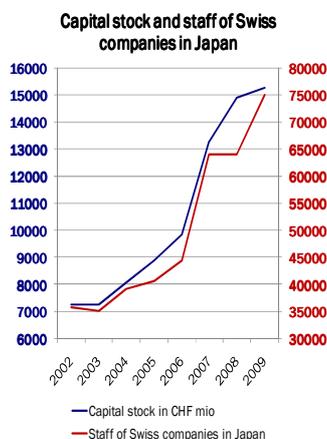
countries. Successful candidates will benefit from a subsidy rate up to one-half for SMEs and one-third for non-SMEs, within the limit of one billion yens. Subsidized costs cover survey design costs, facility costs, equipment costs and facility lease fee.

JETRO is the Secretariat for this program.

Additional measures applicable to new R&D and headquarters operations conducted in Japan will

also be submitted to the Parliament for approval. These incentives encompass a 20% deduction of corporate tax for 5 years, preferential income tax, reduced patent fees and faster visa procedure (examination in 10 days instead of one month).

For further information, please consult JETRO and METI Websites. Applications can be submitted in English.



Source: Swiss National Bank  
(December 2010)

## Suwa's delegation visited Switzerland

A delegation from Suwa visited Switzerland from February 1 to 3. This visit was part of the METI's (Ministry of Economy, Trade and Industry) program.

Suwa is a leading industrial area, located in Nagano Prefecture, Japan. This area gathers a large number of firms specialized in precision machinery.

The purpose of this visit was to further develop ties between Swiss and Japanese businesses and engineers specialized in micro engineering industry.

On February 2, participants attended a seminar at the EPFL (Lausanne Federal Institute of Tech-



Rolex Learning Center,  
Campus of Lausanne Federal  
Institute of Technology

nology) Micro-engineering Institute (IMT). Following an introductory speech of Hannes Bleuler, EPFL full professor on micro-robotics & biomedical robotics, presentations were made by Swiss companies specialized in micro-engineering systems. Micronarc (Micro-

nanotech Cluster of Western Switzerland) announced that it plans to send a mission to Suwa in October.

On February 2, the delegation went to Basel. It visited Nanosurf AG, a firm located in Liestal, manufacturing atomic force microscopes (AFM) and scanning tunneling microscopes (STM).

The delegation also met Swiss candidates to internship in Suwa's area.

Prior to this visit in Switzerland, the delegation went to Goteborg, Sweden. It then continued its visit in Europe to Italy (Venetia and Milano) and France (Lyon, Besancon and Anecy).



Suwa's delegation in front of  
Nanosurf AG building, Liestal  
(Basel area)

## Seminar on Swiss social security system

The Chamber of Commerce section of the Japan Club of Geneva (JCG) organized on February 4 a seminar on Swiss social security system. It was attended by about 30 people from JCG member firms.

Ms. Mariko Hiyama, Relationship Manager, Swiss

Insurance & Financial Advisors (SIFA) GmbH, presented the three insurance pillars, as well as health, accident and trade insurances.

It was announced that the Agreement between Japan and the Swiss Confederation on Social Security was signed in Octo-

ber 2010. This agreement is now submitted to both countries' Parliaments for ratification.

Ms. Mariko Hiyama,  
Relationship Manager,  
Swiss Insurance & Financial  
Advisors (SIFA) GmbH



## New green tea to be introduced in Switzerland

A new product will be introduced into Switzerland. It was presented to JETRO Geneva by Ms. Akemi Sugiyama, Auditor, Sugiyama Shoji Co. Ltd. This product is a green tea made with milk and tea powder.

This beverage (see picture) is very easy and quick to prepare.

Its taste is not as bitter as classic green tea's one, but on the contrary it is sweet.

New green tea with milk



## Kumon Leysin Academy of Switzerland opened its doors

Located in the Alpine resort of Leysin (Vaud), the Kumon Leysin Academy of Switzerland (KLAS) is a Japanese high school that has 182 students aged between 16 to 18.

KLAS students benefit from a thorough language program, with a focus on English and Japanese. "Students become fluent or good enough in English to follow higher education schools in the United States, Canada and the United Kingdom", said Hiroshi Watanabe, Principal.

Some of the courses are taught with the Kumon educational method, which enables students to progress at their own pace.

Its location in Switzerland gives students a chance to discover new cultures and to take part in European cultural trips. Moreover, Switzerland is seen as a safe and stable country. Called the "small Geneva", Leysin has a diverse population too.



Hiroshi Watanabe, Principal,  
Kumon Leysin Academy  
of Switzerland

### KLAS Open-House day

The school organized an Open-House day on February 19, 2011.

"It is good for students to exchange with local peo-

ple. Local people might also be curious to visit us", explained Mr. Watanabe. Last year, more than 380 people visited the school.

This year, visitors had the opportunity to discover the Japanese culture through different exhibitions and workshops. Among them, they could participate in a Sudoku competition, wear Japanese traditional garments and see Japanese traditional items, such as the "hinaningyou" (Japanese traditional dolls). They could also have a Japanese lunch at the school's cafeteria.

In addition, KLAS students played some music and theatrical performances.



Academy's entrance



Visitors in front of hinaningyou  
(ornamental dolls)

## Agenda

2<sup>nd</sup> March: seminar with Richard Koo, Chief Economist of Nomura Research Institute

Organized by Swiss Japanese Chamber of Commerce (SJCC) and Japanese Chamber of Commerce and Industry of Zurich (JCCI)

From 4 pm. SIX Swiss Exchange, Convention Point, 1<sup>st</sup> floor Conference Room, Selnaustrasse 30, Zurich

12<sup>th</sup> March: 23<sup>rd</sup> Japanese speech contest

From 2 pm. Japanese Embassy, Engestrassse 53, 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 Geneva Newsletter can also be viewed and/or downloaded online:

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

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