

JETRO Geneva Newsletter

Japan External Trade Organization

Special points of interest:

- Japan's consumer confidence index rose 3.5 points in April
- The Insight: the successful Honda's hybrid car
- JETRO Geneva helped Snowflake Co. Ltd., a Switzerland based company, to open a new office located in Chiba, Japan.
- Interview. Dr. Hannes Bleuler, EPFL full Professor

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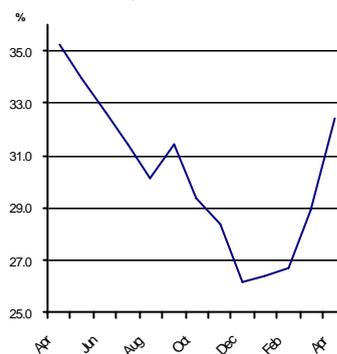
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Japan's current economic situation

Positive signs are noticed in Japan's economy for the first time since the beginning of the world economic crisis.

Japan's governments and Bank of Japan (BoJ) both raised their overall assessments. On May 25th, BoJ monthly report stated that the "pace of deterioration in Japan's economics conditions is likely to moderate gradually, leading to a leveling out of the economy". Mr. Masaaki Shirakawa, BoJ Governor, expects "the GDP figures in the April-June quarter to improve sharply from the January-March period". BoJ experts estimated that "exports and production are expected to level out and start recovering, mainly due to progress in inventory adjustments both at home and abroad". Cabinet office also considered that "while the economy is in a

Japan's Consumer confidence index (April 2008 - April 2009)
Source: Japan's Cabinet Office



difficult situation, the tempo of worsening has become moderate": exports and industrial production "are nearing the bottom".

Industrial production rose 5.2 % in April from the previous month showing the sharpest pace in over half a century. Electronic parts and devices, such as silicon wafers and mobile-phone memory, as well as chemicals and transportations equipment mainly contributed to the in-

crease. This is furthermore the second time running that Japan's total exports increased. Total exports raised 1.9% in April 2009 from March to April, whereas it fell 39.1% in a year.

According to the monthly consumer confidence survey (excluding one-person households), which is based on overall livelihood, income growth, employment and willingness to buy durable goods, Japan's consumer sentiment rose 3.5 points from 28.9% in March to 32.4%. The stimulus plans launched by Prime Minister Taro Aso in April (\$154 billion fiscal stimulus) and rising stocks likely have an impact on consumers' perception. As a consequence, sales of flat-panel television sets jumped 60% and those of large refrigerators soared 120% in May.

Mr. Taguchi presents Honda's green values

HONDA AUTOMOBILES (SUISSE) S.A. is located in the Satigny industrial area (Geneva canton). Appointed President of this Honda's Swiss subsidiary in April 2008, Mr. Taguchi started to work for Honda 21 years ago, the same year as "His Imperial Majesty the Emperor Akihito

acceded to the Throne", he said.

Based on his personal experience, he presents Honda's values and the most successful car, the Insight.

Founded in September 1948, Honda notably sells cars, motorcycles and power products. Honda Jet

also made his European debut at EBACE (European Business Aviation Convention and Exhibition) in Geneva last year.

Honda is divided in three functions: Sales, Engineering (Factory and Logistics) and R&D.

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Mr. Taguchi and the *Honda Insight*

Mr. Taguchi presents Honda's green values

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Mr. Taguchi explains that there are always internal tensions among those functions, because of their different viewpoints and responsibilities. However, they never stop discussing until they reach a consensus to create something. One success out of 100 failures is wonderful. This is Honda way.

Honda's values

Honda's philosophy is to remain in close touch with the consumer. It wishes to create the joy of buying or using the car. *Honda* also wants to be a leading company in protecting earth environment.

Honda's market share is 3.6% as of May 2009 in the Switzerland. In fact, Switzerland is a small but an attractive market. Everyone can have a big

chance to succeed. Even the highest market shareholder has only around 10%.

First main reason is the absence of a national automobile manufacturer. But there is another reason. According to Mr. Taguchi, the Swiss market is like a small Europe, as "only one Swiss person can speak many European languages and represents by himself Europe". In Switzerland there are different languages, geographies and cultures. People live together in respecting others. This background makes Swiss market very "fair".

Mr. Taguchi would like to promote smart choice in car buying. He believes that purchasing should be based on an economical-ecological way of life. "Swiss people can like it, because they are fair-minded", he explains.

"Insight": the success of Honda's hybrid car

Around 3,000 hybrid cars are annually sold in Switzerland. *Insight* is selling well in Switzerland: more than 600 units are already sold in two months. *Insight* is sold from CHF 28,900, an affordable price for a hybrid car. It consumes 4.4L / 100 km and emits 101 CO₂ g/km. *Insight* is designed rather for a "green" way of driving. If you push the "E-con" button, the car will automatically reduce the energy consumption of various functions, especially heating and cooling. Moreover, the *Insight's* speed meter light on futuristic dashboard changes from green, when your driving maximizes fuel economy, to blue when it is wasteful. In the *Insight*, ecology and economy go with pleasure.



View of Makuhari Messe (Chiba Pref., close to Tokyo) from Snowflake office

A Swiss IT company expands in Japan

Snowflake Co. Ltd. supports business companies and organizations in assessment, design, development and implementation of Websites using an open-source Web-browser called "Typo3", well-known to design dynamic WebPages. Created in 1999, *Snowflake* now includes 35 staff members in Bern's and in Zurich's offices.

JETRO experts supported efforts to explore Japan market

In 2006, Thomas Schläpfer, CEO, contacted

JETRO Geneva to have support in exploring Japan's market. He took part in October 2006, 2007 and also 2008 Makuhari (Chiba Pref.) JETRO's CEATEC stand (Combined Exhibition of Advanced Technologies). He also obtained complementary support from the OSEC (Swiss Office for Trade Expansion).

He traveled in Japan early 2009. He was allowed to stay for free at the JETRO Business Support Center, located in Akasaka (Tokyo city center) for about three months.

By the end of April he opened the office in Japan, located in Chiba City (Chiba Pref.), Japan. "JETRO Tokyo, JETRO Chiba and Chiba Prefecture supported us for formalities during the start-up phase", says Mr. Schläpfer. The company has been registered with a ¥10 Mio. initial capital. Three staff members now work in Japan and they would like to hire a product specialist. Office cost also is lower in Chiba than in Tokyo and it only takes 30 minutes to travel from Chiba to Tokyo by train.

A successful business seminar in Solothurn

JETRO Geneva organized a business seminar, held in Solothurn on 12th May 2009, in cooperation with the Solothurn Economic development agency. The seminar was attended by companies from the Solothurn Canton and from the Japanese Suwa region (located in Nagano Pref.). Five Japanese companies and three Swiss companies presented high technological products, such as nano-imprinting technology, injection molding machine, high precision positioning systems, peripherals for automation industry... Mr. Siedler, in-

dependent liaison engineer, also explained from his personal experience how to build up a confident relationship between Japanese and Swiss companies. In addition, Suwa's delegation promoted the Desk Top Factory (DTF) concept, which is based on the future-oriented idea that small products, such as electronic chips, can be made in small facilities. Thanks to the DTF concept, companies would not only save space, but money too. During the seminar, participants also made con-

tacts. Tight relationships were developed between the two regions that share common features. The Suwa region, known as "The Oriental Switzerland" in Japan, includes manufacturing and research enterprises specialized in ultra precision, optics, and micro technologies. The Solothurn Canton has a strong tradition in precision engineering, machinery and manufacturing.

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Seminar in Solothurn

Interview. Dr. Hannes Bleuler

"Students and researchers benefit from respective cultural differences"

Dr. Hannes Bleuler is a full Professor at EPFL (Swiss Federal Institute of Technology, Lausanne) on micro-robotics & biomedical robotics. He also is in charge of Japan-EPFL relations.

During a visit of an industrial delegation from Japan to the microtechnology-industry fair (EPMT, May 2009) in Lausanne, Switzerland, a Memorandum of Understanding (MoU) between the Swiss EPFL-IMT (Micro-engineering Institute) and the Japanese DTF (Desk Top Factory) Research Consortium from Suwa (Nagano) was signed.

What practical impacts do you expect following the signature of the MoU between the EPFL-IMT and the DTF?

We would like to remain in

close touch with the DTF consortium. The Desk Top Factory is a subject close to our heart. The first workshop on this topic was held in 1998 in Japan, the second one in 2000 in Switzerland. We then organized every two years international seminars on this topic.

You also are the manager for EPFL-Japan relations. How many students and professors go to Japan or come to Switzerland per year? What benefits do they obtain from such exchanges?

Since 20 years, the EPFL sends five to six trainees and two to three academic guests every year in Japan. We welcome approximately six Japanese students or researchers per year. They not only are studying micro- and elec-

trical engineering, but also information systems, material sciences, basic sciences etc. They learn in both countries specific know-how and cultural aspects. In Switzerland, they study e.g. micro-technology and precision engineering culture; in Japan, they study e.g. quality control and teamwork methods. They thus benefit from respective cultural differences. In Japan, they see "harmony" culture, consensus, team spirit and stress of smooth relations and collective, long-term interests. In Switzerland, they discover a more individualistic society, which maybe better promotes creativity and originality. Both countries share a certain "perfectionist" approach.



Dr. Hannes Bleuler, EPFL full Professor

Key data

Born in 1954

M.S. (EE), Ph.D. in Mechatronics, both at ETH Zurich

1985-87: Research Engineer at Hitachi Ltd, Japan

1991-95: Toshiba Chair of "Intelligent Mechatronics" and then regular Associate Professor at the University of Tokyo

Since 1995: full Professor, EPFL

Japan invents the future of television

The Japanese National Institute of Information and Communications Technology together with the TV public group NHK tested successfully in May the Ultra-High Definition (UHD, also called Super Hi-vision). This new television format has a resolution of 7680 X 4320 pixels, that is 16 times the pixel resolution of current TV high definition. The sound has been faithfully reproduced with 24 channels, whereas there are

only six channels in TV high definition.

According to NHK's Website, the image delivered is "so real that viewers fell as if they were actually at the site of broadcast and find themselves attempting to touch what's on the screen". A UHD signal was sent from a NITC facility to a satellite and received in a NHK research centre.

UHD TV images were displayed on a 600-inch screen during the September 2005 World Exposit-

ion, Aichi, Japan, held on the theme "Wisdom of Nature". Live-relay optical transmission experiment of UHD TV succeeded for the first time in the world on the 2nd November 2005. The transmission was between Kamogawa of Chiba prefecture and NHK Science & Technical Research Laboratories. On December 31, 2006, a TV event was displayed in UHD over an IP network from Tokyo to Osaka.

A new staff member in JETRO's office

Marc Gambaraza has just joined JETRO's team last month as a research associate. Marc Gambaraza holds Science Po's and Faculty of Law's Masters degree and has two years experience in international organizations. He assists the JETRO in standardization related issues, updates the Website and prepares the newsletter you are reading.

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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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