

Inside this  
issue

- Sunstar* acquired Swiss firm specialized in degradable implants 1
- Japan's current economic situation 2
- Swiss firms took part in Interior Lifestyle Living trade fair 2
- Japan's reconstruction path: nine months on 3
- JETRO White Paper on Trade and Investment 3
- Panasonic to launch smartphones in European markets 4

*Sunstar* acquired Swiss firm specialized in degradable implants

Global healthcare group *Sunstar Suisse SA* took over the Schlieren-based (Canton of Zurich) company *Degradable Solutions AG* by the end of October 2011. Originally founded in Japan, *Sunstar* built in 2009 its world headquarters in Switzerland (see Newsletter No. 10).

*Specialized in resorbable implants*

Kurt Ruffieux set up *Degradable Solutions* in 1999. Graduated from the ETHZ (Federal Institute of Technology Zurich), he obtained a Ph.D. in 1997 on fixation devices for maxilla facial surgery. Thanks to his academic and professional background, Dr. Ruffieux is able to talk and negotiate with many audiences: "I enjoy speaking with researchers, biologists, physicists, surgeons, economists and regulatory people", he said.

*Degradable Solutions* specialized in resorbable implants. "Resorbable implants are temporary solutions. After fulfilling their function, they are not needed anymore", explained Dr. Ruffieux. It combined polymers, which is turned into resorbable fixation devices, and bioceramics, used



Kurt Ruffieux, CEO,  
*Degradable Solutions AG*

for bone defect filling, into a new patented biocomposite material. "The material gets sticking, like chewing-gum. Dentists can now fill defects in bone as they are used to filling defects in teeth", he further explained.

In addition, the firm develops and manufactures implants that are used in spinal, knee, shoulder and foot surgery, as well as in traumatology.

*Expansion through Sunstar*

Launched in 2007, its dentistry products are now no. 3 in Europe. "Our objective is to become no. 3 at the global market. That is why we wanted to have a

partner to bring these products to the global market", company's founder claimed.

*Degradable Solutions* already has distribution channels in Europe, with a significant presence in Germany.

After a year of negotiations, the Swiss firm was acquired by *Sunstar*, now headquartered in Etoy (Canton of Vaud). "As it is near to our office, we can have an efficient communication", Dr. Ruffieux said.

Thanks to the support of *Sunstar*, *Degradable Solutions* expects to expand its business to North America (United States, Canada) and Asia, among other countries.

"We found that *Sunstar* has a good, fair and honest reputation. It is not only interested in our product, but also in our technology", claimed Dr. Ruffieux. As a result, *Degradable Solutions* plans to increase its R&D so as to develop solutions using its products for drug delivery.

In addition to its 25 employees, specialized mainly in sales, R&D, production and analysis, *Degradable Solutions* is planning to hire about five additional staff in 2012.

## 動向

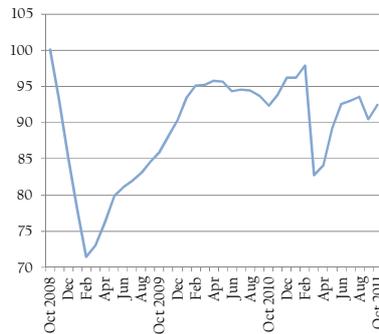
SITUATION

## Japan's current economic situation

Japan will end 2011 on a rapid recovery trend after Great East Earthquake hit Japan on March 11. Its GDP grew 1.4% in the July-September period (revised in December), marking an increase by 5.6% at annualized rate. According to the International Monetary Fund its real GDP is estimated to be down 0.5% in 2011, but to increase 2.3% next year.

Japan's indices of industrial production rose 11.9% from March to October to 92.5 (see graph). The coincident index of business conditions, used to identify the current state of the economy, confirmed this trend. It rose 6.3% from April to 91.4 in October (2005=100).

The Tankan judgment survey on business conditions for all indus-



Indices of Industrial Production (2005=100)  
Ministry of Economy, Trade and Industry

tries provides an accurate picture of business trends of enterprises. While it remains negative, it increased from -9 in September to -7 in December.

Japan's economy is still stimulated by exports, which increased 6.8% from April to October to ¥5,507 billion. Exports are nevertheless slowing down in November, reflecting the effects of the slacken-

ing of pace in Western economies and to a lesser extent in emerging countries, and of the flooding in Thailand. Exports were down 4.5% in November 2011 from the previous year, while imports increased 11.4%. As a result, Japan logged a trade deficit of ¥ 228 billion for the January - November period. It is expected to experience a trade deficit in 2011 for the first time since 1980.

The domestic demand is recovering. The average of monthly consumption expenditures per household was ¥285,605 in October. Compared to the same month a year earlier, it was down only 0.6% in October, against a decline by 8.8% in March. The consumer confidence index increased 15.1% from April to November.

## 活動

ACTIVITY

## Swiss firms took part in Interior Lifestyle Living trade fair

Among other foreign companies, two Swiss furniture and decoration shops were invited by JETRO to participate in IFFT/Interior Lifestyle Living trade fair.

It is the Japan's largest premier trade fair for all interior products. It exhibits furniture but also all interior segments such as textile and interior design products.

One of the objectives of this JETRO's invitation program is to revitalize local business in Tohoku and other affected areas.

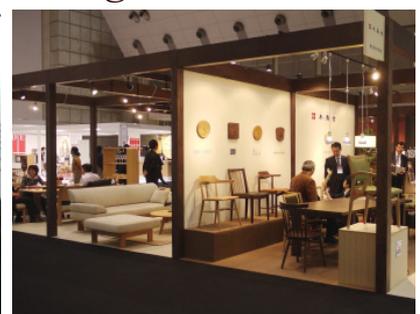
"The organization was absolutely great. I could have a very productive visit thanks to a guide and interpreter" said Pierre Grandjean,



Pierre Grandjean (Futons et Cultures du Sommeil) and Takashi Shibata (Momiji Shibata)

owner of "Futons et Cultures du Sommeil" shop in Bienne-Biel. He bought wooden items. He is also in touch with two sellers that he will meet again in Paris.

"Very good. I ordered and already received soaps, wooden boxes,



IFFT/Interior Lifestyle Living

ceramic bowls and cups", said Takashi Shibata of Momiji Shibata shop (in Geneva).

The trade fair took place from November 2 to 4 at Tokyo Big Sight. It was attended by 355 exhibitors (including 312 from Japan and 43 from overseas countries) and about 20,000 visitors.

## Japan's reconstruction path: nine months on

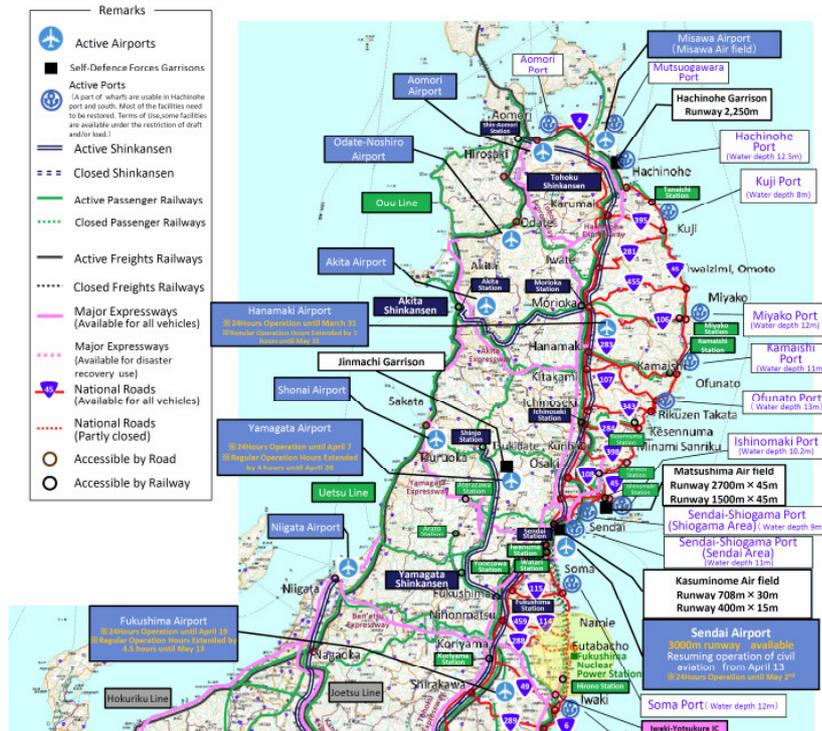
Nine months on, most of Japan's infrastructures have been restored, but a lot still need to be done to revitalize the local economy.

### Recovery of infrastructures and companies

All expressways (Tohoku and Joban Expressways), all national highways (expect part of route 45), all shinkansen lines, 96% of conventional rail lines, all airports and 72% of port berths are now in operation in the Tohoku region (as of December 19, 2011).

Many facilities of companies were also seriously damaged. Most of them have already resumed their production. As mentioned by *The Nikkei Weekly* (Winter, 2011), the facility of *Nippon Paper Group Inc.* was destroyed by the tsunami; this company resumed its operation on September 16 and is planning to return to full production by the end of the third quarter 2012.

Sendai *Kirin Brewery's* factory was entirely destroyed by the tsunami. The company will resume to al-



As of December 19, 2011, Source: Ministry of Land, Infrastructure, Transport and Tourism  
Large picture of this map is available at: <http://www.mlit.go.jp/common/000138153.pdf>

most pre-quake level of production one year after the earthquake, in March 2012.

### Support of the government

The Ministry of Economy, Trade and Industry and Fukushima Prefecture provide loans since June to

SMEs forced to relocate outside of areas affected by the nuclear power accident.

They also issue loans since November 25 for SMEs that are continuing or resuming business in areas where evacuation-related designation has been lifted.

動向  
SITUATION

## JETRO White Paper on Trade and Investment

JETRO has just released the translation into English of its White Paper entitled "2011 JETRO Global Trade and Investment Report - International Business as a Catalyst for Japan's Reconstruction".

This report is divided into four chapters: world trade and investment trends in 2010; latest trends related to the WTO rules and to FTAs around the world; impact of the Great East Japan Earthquake

on the overseas business of Japanese companies; and Japan's opportunities and strengths in the reconstruction process.

It shows that the Tohoku region holds a large share of production of the materials and components forming the basis of finished products produced in the Kanto region, but also in overseas countries. As a result, export of microcontrollers for instance fell on a volume basis

38.7% in May.

The report also identifies Japan's unique strengths to achieve a rapid reconstruction: capacity for research and development; factory production capacity; energy efficiency and other environmental technologies; disaster prevention technologies.

The report (in English) is available at: [http://www.jetro.go.jp/en/reports/white\\_paper/](http://www.jetro.go.jp/en/reports/white_paper/)

分析  
ANALYSIS

## 革新

INNOVATION

## Panasonic to launch smartphones in European markets

Panasonic Corporation announced on December 9, 2011, that it will expand its smartphone business to Europe in March 2012, following a withdrawal in 2005.

The electronics group is already one of the major players in the Japanese smartphone market, with a total sales of 5 million units. Panasonic will expand its business with its first global model smart-

phone. It will feature an ultra-slim shaped design; it will also have a high-definition of 4.3-inch large screen; it will be a waterproof and dustproof smartphone.

The objective of the group is to reach sales of 9 million smartphones in Europe, Asia, China and the America and 6 million units in Japan by the end of March 2013.



Panasonic smartphone (available in black and silver) © Panasonic Corporation

## Agenda

## 日程

AGENDA

- ✓ Mid-February (date to be decided): Seminar on Japanese food and culture (presentations by Japanese food importers), with SJCC, in Zurich
- ✓ Early March (date to be decided): Seminar on corporate strategy towards Asia and Japan, in Zurich (with SJCC) and Geneva



## Happy New Year 2012!

We hope you enjoyed our services in 2011 and we will continue to do our utmost in 2012 to meet your needs.

First snow in Geneva, December 19, 2011

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>

# JETRO

**Japan External Trade Organization**

JETRO Geneva  
 80, Rue de Lausanne  
 1202 Geneva  
 Phone: 022/732 13 04  
 Fax: 022/732 07 72  
 E-mail: SWG@jetro.go.jp