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革新

INNOVATION

Technology cooperation for the expansion of TOTO's Washlet in Europe

Villeroy & Boch AG and Japanese bathroom product manufacturer TOTO Ltd. announced their cooperation for the development in European markets of the TOTO's washlet technology in March 2013.

Villeroy & Boch AG is a European bathroom supplier, based in Mettlach, Germany, and founded in 1748 already. Established in 1917, and headquartered in Kitakyushu (Kyushu island), TOTO is a Japanese company present in 18 countries; it employs of total 25,000 people worldwide. It also has an office in Dusseldorf, Germany.

TOTO's high tech toilets

"The goal of our technology cooperation is to dominate the bidet toilet product category in the core European markets with ViClean Ultimate and foster market growth in this product area for everyone. In TOTO, we have a technology partner with outstanding expertise at our side" said Frank Göring, Villeroy & Boch AG Board Chairman.

ViClean Ultimate provides a comprehensive range of functions, based on TOTO's WASHLET® technology. They include shower jets, drying functions, heated seats, deodorizer, auto-



From left to right: Andreas Pfeiffer, Villeroy & Boch's head of the Bath and & Wellness corporate division; Frank Göring, Villeroy & Boch's Board Chairman; Kunio Harimoto, TOTO Ltd. President; and Hiromichi Tabata, TOTO Ltd. Head of the International Division.

matic raising and lowering lid and seat. Moreover, the washing function uses a low quantity of water (430 ml per minute).

Successful development in Japan and the rest of the world

TOTO produced its first Washlet in 1980. It has successfully developed it in Japan, where more than 70% of households are equipped with a bidet toilet. It



Villeroy & Boch's ViClean Ultimate using TOTO WASHLET® technology



Villeroy & Boch's headquarters in Mettlach, Germany

also expanded in Asia and in the United States.

Both TOTO and Villeroy & Boch believe that this technology will also successfully expand in Europe.

According to Kunio Harimoto, President of TOTO, "Ever since we were founded in 1917, it has been our goal to make the bathrooms of the world more comfortable. In the USA and Asia, along with our home market in Japan, we have already been very successful. We are convinced that with the help of our technology and cooperation with Villeroy & Boch in Europe, this culture will spread even faster".

"We believe in the future of the bidet toilet throughout Europe and, as one of the best known European premium brands, we would like to make this product category a significant sales segment for us", claimed Andreas Pfeiffer, head of the Bath & Wellness Division at Villeroy & Boch.

動向

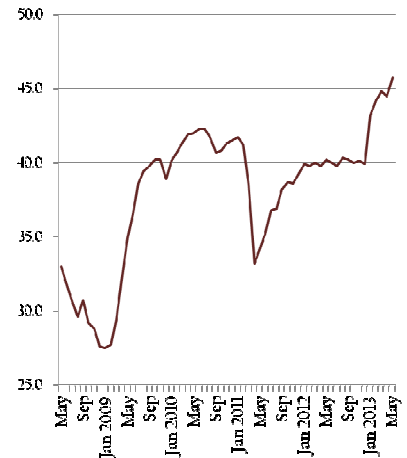
SITUATION

Japan's current economic situation

According to the Bank of Japan's June report, "Japan's economy has been picking up" and "is expected to return to a moderate recovery path", since domestic demand will increase its resilience and overseas economies will gradually pick up. The domestic demand is expected to strengthen. The consumer confidence index increased over the year 13.7% to 45.7 in May 2013 (see graph). Moreover, the average of consumption expenditures per household was ¥307,926 in May

2013, up 1.1% in nominal terms and up 1.4% in real terms from the previous year. The unemployment rate was 4.1% in May, marking a decrease of 6.1% from the previous year.

In addition, the demand of overseas economies is increasing. Total exports of Japan rose year-on-year 10.1% in May. Although exports to Western Europe declined 4.4%, exports to Asia (+11.0%), North America (+16.0%) increased.



The Development of the Consumer Confidence Index (excluding one-person households, seasonally adjusted series)
Cabinet Office

分析

ANALYSIS

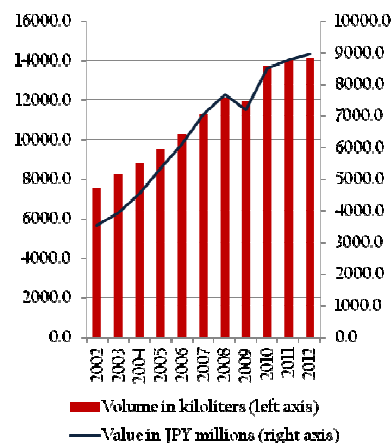
Japanese sake becomes a more and more popular drink

The Japanese alcoholic beverage made from fermented rice is becoming a more and more popular drink throughout the world.

Increase of exports

Although Japan's total exports increased 22.3% from 2002 to 2012, exports of Japanese sake soared 154.1% on the same period from ¥3521.0 million to ¥8946.0 million. Exports of sake also rose 88.3% in volume from 7504.4 kiloliters to 14130.6 kiloliters (see graph).

The leading markets of the sake are the United States and Hong Kong. Exports to the US market were ¥3245.2 million in 2012 (36.3% of the total), showing an increase of 121.2% over the past ten years. Hong Kong represented 16.7% of the total in 2012 (¥1495.3 million). Though Switzerland remains a small market for the export of sake (export of ¥19.2 million in 2012), exports increased rapidly (+77.6%



Total exports of sake
Source: Ministry of Finance ("Trade Statistics") / HS code for sake is 2206.00.200

from 2002 to 2012).

Consumers become more familiar

As the sake is becoming more popular, overseas consumers are willing to know more about the sake.

How to select the sake? Although the quality of the wine is identified through vintage, grape variety and geographical indications, consum-



Okunomatsu Sake Brewery Co., Ltd. is among 40 Japan's MAFF selected processed food products. Source: Ministry of Agriculture, Forestry and Fisheries (MAFF)

ers can rely on sake brands to identify its quality, such as Koshinokanbai, Kubota, Hakkaisan, Bishonen and Sechubai.

How to drink the sake? Unlike wine, the sake can be drunk at different temperatures, ranging from 5° to 40°. Moreover, it can be drunk as an aperitif, a main drink of the meal or as a digestive.

Sushi-Tram will resume in old-timer Zurich's tramway

Sushi-Tram will resume from August 14 to October 5. It will run in Zurich every Wednesday, Thursday, Friday and Saturday.

Passengers will travel this year in a old-timer tramway (see pictures).

The sightseeing tour in Zurich (from Bellevue stop to Limmatquai, Enge, Oerlikon and Stauffacherstrasse) takes two hours and includes starter, sushi and dessert.

For further information, please see: www.sushitram.ch



Oldtimer tramway in Zurich

行事

EVENT

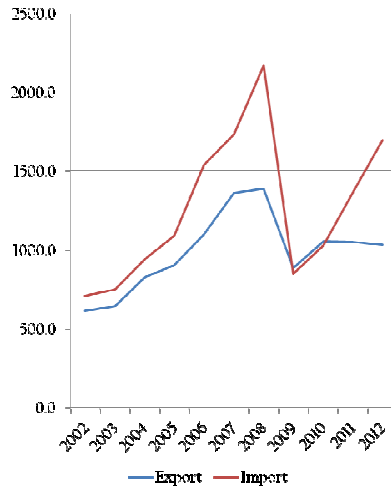
Conference on African Development held in Tokyo

The fifth International Conference on African Development (TICAD V) was held in Yokohama from June 1 to 3, 2013. TICAD is an international conference held every five years "to promote high-level policy dialogue between African leaders and development partners".

As shown by the graph, the trade between Japan and African countries has been volatile in the past decade. Exports and imports fell in 2009. On the period from 2002 to 2012, exports to Africa increased 68.0% from ¥314.1 billion to ¥1,032.0 billion, and imports from Africa rose 138.8% from ¥710.4 billion to ¥1,696.2 billion.

Announcement of measures

At TICAD V, Minister of Economy, Trade and Industry Toshimitsu Motegi announced the doubling of the number of the Japan External Organization (JETRO) in Africa



Trade between Japan and Africa in JPY billions

Source: Ministry of Finance

from 5 to 10. Current JETRO offices are located in Abidjan (Cote d'Ivoire), Cairo (Egypt), Nairobi (Kenya), Lagos (Nigeria) and Johannesburg (South Africa).

Additional measures have been announced. The cover terms and conditions for trade insurance (covering 19 African countries) will

be eased. The number of locally-hired employees in Japanese enterprises in Africa will be doubled in five years (from 200,000 to 400,000). The environment cooperation, including the Joint Crediting Mechanism, will be promoted. Japan Oil, Gas and Metals National Corporation (JOGMEC) will provide a financial support to African countries by providing 2 billion dollars. 1,000 human resources exclusively in the resources field will be developed.

African fair

METI and JETRO hosted the African Fair 2013. This fair aims at further familiarizing Japan's private sectors with Africa. The number of companies that exhibited their made-in-Japan products increased from 11 to 73 and the number of visitors rose from 46,000 to 56,000 from the previous fair in 2008.

政策

POLICY

革新

INNOVATION



Shiseido headquarters in Tokyo, Japan
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Shiseido signed on May 16, 2013 a license agreement on a collaboration and technology transfer with the Canadian company RepliCel Life Sciences Inc. Shiseido will pay ¥400 million as the contract fee. The objective of this agreement is to introduce an hair regenerative

medicine technology in Asia and Japan.

RepliCel technology

RepliCel technology is an autologous cell transplantation to treat baldness and hair loss.

Some cells are removed from the person's scalp, grown in culture and implemented back to the scalp.

This process involves several advantages compared to conventional hair transplants. It needs to extract a smaller scalp area. As the patient's own cells serve for transplantation, it has fewer risks of rejection.

Shiseido will combine this technology method with its own regenerative medicine technology to commercialize a safe and effective hair regenerative method.



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Business potential in Asia

The government of Japan is currently preparing a legislation to promote regenerative medicine as part of its growth strategy. In this context, Shiseido expects it to become a growing market in the future.

Shiseido is planning to introduce this method in five years in Japan, but also in other Asian countries.

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>

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