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Kanebo launches new cosmetics products in Europe

Founded in 1887, as a trader of cotton, Kanebo launched a cosmetics business in 1937. Headquartered in Tokyo, it employs a total of 12,919 employees around the world.

Yosuke Maezawa is since the end of February 2013 the President of Kanebo Cosmetics (Europe) Ltd (KCE). Serving Kanebo since 1986, he already worked in Switzerland from 2002 to 2004 as General Manager for sales and marketing.

Introducing Japanese cosmetics culture in Europe

Based in Zurich, KCE is in charge of the promotion of "SENSAI" brand's products in a total of 39 countries (Europe, Middle East, South Africa). KCE employs a total of 66 people, including 30 in Switzerland.

"The business situation of KCE is very stable since the Lehman shock in 2008, although we had a double digit growth until 2007", said Mr. Maezawa.

"Our priority is not only to increase our sales, but also to increase the quality of our sales. We want to introduce our products to consumers through good counseling", he further explained. In Switzerland, Kanebo



Yosuke Maezawa, President, Kanebo Cosmetics (Europe) Ltd.

SENSAI— Exclusive brand for Europe

KCE sells its products in Europe, Middle East and South Africa through its exclusive brand "SENSAI". It responds to the differences between Japanese and Western cosmetics markets. The first difference is related to consumer's preferences. As Asian weather is more humid than European one, SENSAI's products are developed to fit its characteristic of the skin and the climate.

The second difference is related to the popularity of Kanebo. "In Japan, everybody knows Kanebo and the quality of its products. But, in Europe we use both the names of Kanebo and SENSAI. In the future, we will use the brand of SENSAI only", said Mr. Maezawa.

KCE is launching this year into European markets a new luxury SENSAI luxury line, called "Ultimate". Ultimate's cream, lotion and emulsion have been introduced into European markets since February 2013. The "Eye Cream" and "The Concentrate" have been launched this summer.

is selling its products through counselors at Globus and Jelmoli, for instances.

The counselors are of particular importance to introduce Japanese skin care habits. "In Japan, every small movement has a rule. We called it "Saho". The rules seem complicate for European customers, but each of them has a meaning and are important to make the skin beautiful", said Yosuke Maezawa.

Japanese ladies use four cosmetics products: two different products for removing the making-up and cleaning the face, a lotion for moisturizing and an emulsion cream to seal the moisture and nourish the skin.

動向

SITUATION

Japan's current economic situation

According to the Cabinet Office, Japan's economy "is on the way to recovery at a moderate pace". On a short-term prospects, "the recovery is expected to take hold as household income and business investment continue to be on upward trends, while exports pick up the effects of the policies develop". The improvement of the domestic situation is reflected by the statistical survey of the Bank of Japan (Tankan). The Tankan index, which is "conducted to provide an accurate picture of business trends of enterprises in Japan", rose from 4 in June to 12 in September for large manufacturers (see graph).

Japan's economy is stimulated by the recovery of exports. Total exports increased year-on-year 11.5% in September to ¥ 5,972 billion, up 17.9% for North America, 11.1% for Western Europe and 8.2% for Asia. The domestic demand has also remained resilient. The unemployment rate slightly declined from 4.2% in August 2012 to 4.1% in August 2013. Orders received for construction increased from the previous year 15.6% to ¥ 6,393 billion in August. Moreover, the consumer price index for Japan in August 2013 was 100.3(2010=100), up 0.3% from the previous month, and up 0.9% over the year.



Source: Bank of Japan

Large success of the Japanese festival in Carouge

行事

EVENT



Fourth edition of the Japanese festival

« Marché aux Puces »
(Second-hand market)

Japanese festival attracts crowds of visitors

The fourth edition of the Japanese festival in Carouge ("Fête japonaise"), organized by the Japan Club of Geneva, took place on October 6. In a sunny weather, the festival attracted about 10,000 visitors.

The festival began with a music

concert (Gadogado band) and was followed by other traditional Japanese music concerts (recorder and vocal songs), language lessons, Ikebana and Aikido demonstrations, Bon-odori dances and a Cosplay contest.

Participants also visited the festi-

— Pictures were kindly provided by the Japan Club of Geneva —

val to enjoy Japanese foods such as yakitori, sushis, udon noodles and gyoza ravioli.

JETRO's staffs were volunteers to sell Japanese books and Japanese second-hand items.

IDE-JETRO research studies on Least Developed Countries

Researchers of the Institute of Developing Economies, Japan External Trade Organization (IDE-JETRO) introduced the outcomes of their studies at the World Trade Organization Public Forum on October 3, 2013. Their researches were focused on the following topic: “Doha’s impact on Least Developed Countries (LDCs): listening to the voices of producers and consumers”.

Some examples of findings

Among other findings, Dr. Tadashi Ito concluded that Japan’s duty-free quota-free (DFQF) initiative has had little impact on LDCs’ exports to Japanese market, which supports the previous literature’s findings that tariff barrier is a relatively small obstacle for those countries and other factors such as infrastructure and nontariff barriers have a greater chilling effect on trade.

Dr. Atsushi Ohno stressed that the WTO Aid for Trade Initiative failed to enhance LDCs’ participation with Doha round due to the lack of trade adjustments policy and budgets.



IDE-JETRO researchers

Dr. Ramiarison Herinjatovo Aimé, from the University of Antananarivo, and Dr. Takahiro Fukunishi conducted a study focused on Malagasy economy. They outlined that globalization improved the livelihood and welfare of the Malagasy people through more competition in urban areas and easy access to cheaper and higher quality clothes and medicines. On the other hand, globalization did not change the employment structure, since the informal sector has continued to be the largest employment provider. Furthermore, they claimed that the suspension of duty

-free access to the US market had a larger effect on the economy than the 2009 political turmoil.

Suggestion for trade negotiations

Hiroshi Kan Sato, Director General of the Research Planning Department at IDE-JETRO, suggested a DDA (Doha Development Agenda) -MDGs (Millennium Developing Goals) hybrid strategy to conclude the Doha round negotiations. He argued that this strategy would create more inclusive and a little bit ethical world trading system.

活動

ACTIVITY

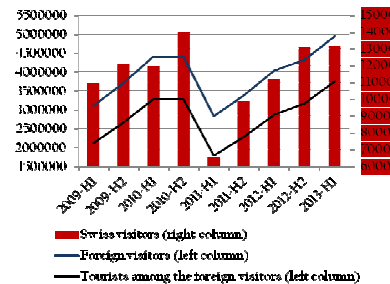
Number of foreign visitors to increase to 30 million

As part of Japan’s New Growth Strategy, the Cabinet Office has set the objective to increase the number of foreign visitors to 30 million by 2030.

To enhance the touristic promotion, Japan Tourism Agency will establish a working group to col-

lect data from about 700,000 tourists in eight areas across Japan. The data will be obtained from mobile phone companies, after receiving the consent of their clients.

In the first half of 2013, the number of tourists increased 18.5% to 3.8 million (see graph).



Source: Japan National Tourism Organization

政策

POLICY

革新

INNOVATION

Social application LINE expands outside Japan

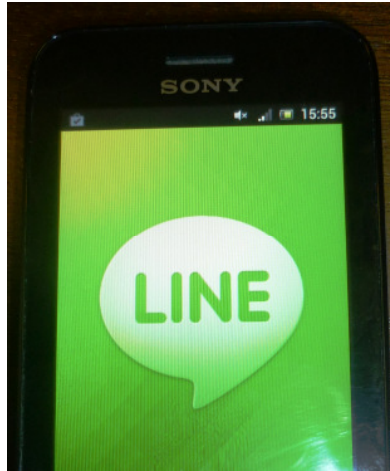
Created by NHN Japan in 2011, LINE is a new voice and messaging service.

Unique business model

The user sends, through LINE application, messages, images, video and audio files, as well as makes phone calls. As such, LINE is very similar to existing messaging services. However, it combines all existing services into one application.

Whereas other similar applications need to collect private information for tailored advertisement campaigns, LINE only requests a pseudonym.

Its business model is based on the sales of virtual “stamps”. The “stamps” (also called “stickers”)



are small images that can be downloaded and inserted into messages.

The “stamps” can be developed by third-party companies and downloaded by the user for free or with a charge. Most of them represent funny or cute characters, such as comic and anime heroes.

Trendy in Japan and spreading overseas

LINE has become a very popular application in Japan where young people in particular are keen to send a personalized image.

NHN announced in August 2013 a total of 230 million registered users, including 47 million in Japan.

It has also spread in Asia, especially in Thailand (18 million), Taiwan (17 million) and Indonesia (14 million).

LINE is now expanding also in Europe. In Spain, 15 million users are registered. 80% of its traffic is nowadays from outside Japan.

This application is now available in four languages: Japanese, Korean, Chinese and English.

Agenda

日程

AGENDA

- ✓ 2nd December: Seminar on Japanese ICT at JETRO Geneva office

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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