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INTERVIEW

Kanebo will bring a new brand to European markets

Kanebo is a Tokyo-based producer of high-quality skincare, makeup and hair care cosmetics. It is famous in Europe under its exclusive brand for Europe "SENSAI".

Yosuke Maezawa, President of Kanebo Cosmetics (Europe) Ltd. had been previously interviewed in *JETRO Switzerland Newsletter* in October 2013 (see issue 55). Three years on, he accepted to be interviewed again to provide an update on Kanebo's business in Europe.

Doing business in Japan and in Switzerland

Yosuke Maezawa lives in Switzerland since the end of February 2013. He had previously been assigned in Switzerland as General Manager for sales and marketing from 2002 to 2004.

"I think it is very easy for me or for any Japanese to live in Switzerland. Both countries have similarities in their personalities and characteristics. For example, Zurich's infrastructures are very well organized", Yosuke Maezawa said.

However when he is asked about the management culture, Mr.



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

Maezawa sees a lot of differences. "If you read the book of Erin Meyer *The Culture Map*, you can see a lot of differences between Japanese and Swiss (European) management cultures. According to this book, the similarity between Japan and Switzerland is the issue of "scheduling" (both countries have a management culture based on a "liner time" — it is important to perform a project step by step without any disturbance; and to keep the sched-

ule and the deadline). But for all other issues, our understandings are just the opposite. For example, in Japan you sometimes do not get the clear explanation about the background of a decision. In Switzerland I always try to give the reasons because I feel it is necessary for the communication with Swiss and European employees". Yosuke Maezawa said.

Focusing on prestigious clients

Kanebo is focusing in Europe on "prestigious clients", and has a target to expand sales volume of products sold at more than EUR 100.

"The Japanese brand image for cosmetics in Europe is perceived by customers as products of good quality. In 1989, Kanebo launched the most expansive product under the brand of SENSAI. We never expected that it would be so popular in Europe. It brought our prestigious image", Yosuke Maezawa said.

On the past three years, total sales of Kanebo have slightly increased. "But most important is that we improved sales per doors which is one of our KPI (Key

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INTERVIEW

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Performance Indicator) by 5% every year”, he said.

Kanebo also enhanced the training activities to improve the counseling quality.

Success of Ultimate

In our previous interview, Mr. Maezawa announced the launch in 2013 into European markets of a new luxury SENSAI's line called “Ultimate”.

“Ultimate's line is successful. It now accounts for 8% of our total sales, which is almost what we planned”, Yosuke Maezawa said.

Based on the success of this line, SENSAI launched in September 2015 “The Silk”, its first perfume under the brand of SENSAI. And in September 2016, it launched a wrinkle repair cream, as well as a wrinkle repair eye cream.

And starting from March, Kanebo

will place on the market two Ultimate's products in smaller sizes: a 70 ml lotion and a 60 ml emulsion. “Some customers hesitate to try the regular size Ultimate line products because of the size and the price. In order to increase the number of trial customers, we launch the small size Ultimate line products. Once they tried, they will trust our products and we are confident to keep them”, he further said.

New brand — just “Kanebo”

Until now, Kanebo's products were available on European markets under the brand of SENSAI, without using Kanebo's name.

“From September of this year, we will launch a new brand “Kanebo” in Germany and Russia. We already launched this brand in Japan and Asia since 2016. According to



our wording, until now our market area was the “super prestige market”. But now with the brand of “Kanebo”, we will also be present on the “prestige market”. Our average prices in this brand will be from EUR 70 to 80”, Yosuke Maezawa said.

Japan's current economic situation

動向

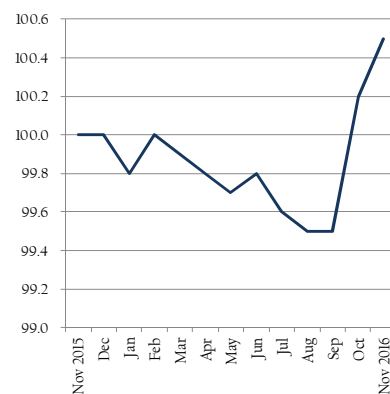
SITUATION

According to the Cabinet Office, “concerning short-term prospects, the economy is expected to recover, supported by the effects of the policies, while employment and income situation is improving. However, attention should be given to the uncertainty in overseas economies and the effects of fluctuations in the financial and capital markets”.

Japan's exports declined 0.4% in

November 2016 to JPY 5,957 billion from the same month in the preceding year, marking an increase by 3.4% in Asia and by 0.2% in Western Europe, but a decrease by 1.4% in North America.

On the domestic side, the consumer price index for Japan in November 2016 was 100.4 (2015=100), the same level as the previous month, and up 0.5% over the year (see graph).



Seasonally Adjusted Consumer Price Index for Japan
Ministry of Internal Affairs and Communications

Fourth industrial revolution in Japan

Switzerland Global Enterprise (S-GE), the Swiss-Japanese Chamber of Commerce and the Japan External Trade Organization (JETRO) will co-organize a seminar on “The Fourth Industrial Revolution in Japan”. It will take place on February 21st, 2017, in Zurich at S-GE premises.

The fourth industrial revolution is characterized by the fusing of state-of-the-art information and communication technologies.

Our speakers will give an overview of recent developments and targets related to the fourth industrial rev-

olution in Japan. It will be an unique opportunity to gather information on business opportunities for Swiss companies.

Participants will be welcomed by Franz Steiger, Acting CEO of S-GE, and by HE Jean-François Paroz, Ambassador of Switzerland to Japan.

HE Etsuro Honda, Ambassador of Japan to Switzerland, will speak about Abenomics effects on the Japanese economy.

Several case studies will also be delivered by representatives of companies, which are successfully

doing business in Japan:

- Martin Naef, ABB Schweiz AG
- Vincenzo Boesch, ITPC AG
- Roberto Perez, Georg Fischer Machining Solutions.

This seminar will be ended by a Japanese cocktail.

The Fourth Industrial Revolution in Japan

From 13:30 to 17:30

S-GE premises, Stampfenbachstrasse 85, Zurich

Please visit S-GE Website for registration: <http://www.s-ge.com/en/event/impulse-4th-industrial-revolution-japan?ref-www.s-ge.com>

活動

ACTIVITY

Research Associate will leave JETRO Geneva

Marc Gambaraza joined the Japan External Trade Organization in May 2009. Leaving our organization by the end of January 2017, he has served Geneva Office for seven years and nine months.

“I have greatly enjoyed and appreciated the opportunities offered by JETRO. I learned a lot, for example in the fields of researching, analyzing, and communicating. Moreover it has been an unique occasion in my life to learn some values from the Japanese culture, such as precision, rigor, calm and patience”, said Marc Gambaraza.

As a Research Associate, he assisted Geneva's office in the field of communication, and economic and legal research. He was editor-in-chief of the JETRO Switzerland Newsletter



from the issue No. 3 in June 2009 to the present issue. He also contributed to the publication of several articles published in JETRO's Tsushuhoko [Japanese global trade magazine] and other Japanese mag-

azines. And among his main achievements, he contributed to the successful publication of *Swiss World In Japan - Business Guide for Swiss Companies in Japan* in January 2016.

Marc Gambaraza will leave the JETRO to join the French National School for the Judiciary (*École Nationale de la Magistrature*), a school where judges and prosecutors are trained.

JETRO Geneva office is now proceeding to the recruitment of his successor. As he or she is likely to take office in March 2017, the next issue of JETRO Switzerland Newsletter will be released in March. We are sorry for the inconvenience caused.

活動

ACTIVITY

革新

INNOVATION

Swiss post will use NEC's postal processing systems

NEC Corporation announced on December 19th, 2016 a contract with the Swiss post for the delivery of postal automation systems. It will supply thirteen systems of Culler Facer Cancellers (CFC) to be used from February 2019 in three of Swiss Post's large-scale mail sorting centers.

NEC Corporation's CFCs are able to identify the destination and process small postal items. It can also adjust alignment and manage application of postmarks.

In addition, they can process 38,000 postal items of C4 envelopes per hour.

NEC Corporation is a Tokyo-based



NEC's Latest Mail Processing Systems (Culler Facer Cancellers) at Swiss Post
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leader in the integration of IT and network technologies. Since entering the field of postal processing in

1961, NEC Corporation has delivered postal automation systems to more than fifty countries.

Agenda

日程

AGENDA

- ✓ 21st Feb.: JETRO / S-GE Seminar on the Fourth Industrial Revolution in Japan
13:30 — 17:30, S-GE, Stampfenbachstrasse 85, 8006 Zurich

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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