ISSUE 94 March 2017

JETRO Switzerland Newsletter

Japan External Trade Organization

Inside this issue

Toyota-Lexus 1 represent two -thirds of the hybrid car sales

Swiss-Japanese Trade 2016 2

Fourth Indus- 3 trial Revolution in Japan

JETRO Gene- 4 va welcomes a new Research Associate

The future of 4 individual transport?

Toyota and Lexus represent two-thirds of the hybrid car sales

The Geneva International Motor Show put the accent on energyefficient cars. Representing twothirds of the hybrid cars sold in Switzerland, the pioneer Toyota is continuing its successful strategy. Christian Künstler, Managing Director of Toyota Switzerland, answers our questions.

Could you please briefly introduce Toyota Switzerland?

Toyota Switzerland is part of the Emil Frey Group and employs about 75 people (including apprentices). It has a network of about 230 dealers. The privately owned company, which has been in existence since 1967, has imported and sold more than 933,000 Toyota and Lexus cars in Switzerland. Since 1990, the premium brand Lexus has also been a part of the car line-up.



What were the trends and sales in 2016? Do the sales reflect an interest of Swiss customers in safety and the environment?

Toyota's sales in Switzerland increased by 5% on the previous year, while the overall market decreased by 2%. Furthermore,



Christian Künstler, Managing Director, Toyota Switzerland

Toyota increased its Hybrid sales by 78%; this had an effect on the total Hybrid sales in Switzerland, which, against the total market trend, increased by 34% compared to the previous year. Toyota and Lexus sales make up more than two thirds of all Hybrids sold in Switzerland. In 2016, every second Toyota customer chose a passenger car with a Hybrid powertrain, and Lexus sold more than 90% of all cars with the sophisticated technology. This result highlights the growing awareness among Swiss

customers concerning the environment and proves that Toyota's strategy, focusing on sustainable mobility, is going in the right direction.

What is Toyota's forecast for sales in 2017?

We are convinced that our Hybrid sales will increase again in 2017. We expect a Hybrid share of 65%. In addition, we are confident that we will increase our market share further; the first two months of the year clearly show this effect with a sales increase of 5%.

How does Toyota face the challenge of the high value of the Swiss franc?

The challenge of the high Swiss franc remains relevant, but less so than in previous years. We have successfully convinced our customers that we offer very competitive prices, with a higher degree of personal attention and service packages exclusive to Toyota Switzerland; for example, the six-year/60,000km free service offer.

Toyota-Lexus represent two third of the hybrid-car sales

会見 INTERVIEW How does Toyota react to the introduction of regulations on energy efficient and CO2 emission (Swiss limit set at 130g/km by 2015 and 95g/km by 2020)?

We have not had any problems reaching these limits in the past and will increase our Hybrid and Plug-In Hybrid shares continuously to keep well below the limits in the future. The strong interest in hybrids among big fleet owners will help us in this process.

What cars does Toyota highlight in 2017? What are the trends and technologies?

The launch of the new Yaris and the new Prius Plug-in clearly highlights that we are convinced that Hybrid is currently the best suited power train for the Swiss market. It is safe, affordable, clean, without limitation in range and has an automatic gearbox as standard. However, where the trend in the future leads is a question nobody can answer for sure. At Toyota, our stance is that the future will bring more than one right technology; there will be several technologies, depending on the use.

With the Mirai, Toyota is exploring alternative clean fuels like hydrogen. What do you think cars will look like in the future?

I personally think that there will be more than one concept for the future and that it will be an evolution rather than a sudden burst of new technology. In the short term, Hybrids will start to increase in sales; after this, we will see new technologies, including electric and hydrogen cars. Some of these will be partially autonomous, some fully autonomous and others not at all. Personalisation, hassle-free use and infrastructure will be key.



The 2017 Toyota Yaris Hybrid

Swiss -Japanese Trade in Goods in 2016



SITUATION

goods between Japan and Switzerbest year since 2012. Japan exportworth USD 7,631 million (+11.4%).

According to the Swiss Federal Switzerland exports mostly phar-Customs Office, the total trade in maceutical products (49%) and watches (35%). The Japanese exland reached a total of USD 11,505 ports are more diversified with million in 2016 (+9.8%). It is the watches (21%), pharmaceutical products (19%), precious metals ed USD 3,873 million worth of (19%), cars (18%) and machines goods to Switzerland (+6.8%). (16%). In 2016, Switzerland had a Meanwhile, Japan imported good trade surplus of USD 3,758 with Japan.



Swiss Federal Customs Office In billion of USD * Provisory number

Fourth Industrial Revolution in Japan

On February 21st, JETRO, in collaboration with S-GE and SJCC, held a seminar focused on Industry 4.0 at S-GE HQ in Zurich. The seminar was attended by 82 people and speeches were delivered by the Swiss Ambassador to Japan H.E. Paroz, the Japanese Ambassador in Switzerland, H.E. Honda, S-GE's acting CEO Franz Steiger, Damian Künzi, Senior Economist, Credit Suisse, and Mr. Masashi Nakazono, Director General of JETRO Geneva for the official part. They emphasized the economic relations between Japan and Switzerland, as well as the business environment in Japan to increase and boost FDI thanks to the policies called "Abenomics". Mr. Nakazono spoke about the attractiveness of the Japanese business environment, focusing on the innovative power of Japan as well as "the sophistication" of the Japanese Market . Indeed if a product is accepted in Japan,



HE Etsuro Honda, Ambassador of Japan in Switzerland



Roberto Perez of the Swiss company Georg Fischer, Machining Solutions

known for its world-class highest quality standards, then it opens the door to most other countries.

This first part was followed by a presentation by Mr. Miyazaki, head of the Manufacturing Industries Technology Office, part of the METI (Ministry of Economy, Trade and Industry). Mr. Miyazaki came from Japan for this event, and he introduced the trends and challenges of the IoT business in Japan. He pointed out SME's shortage of knowledge of the IoT business, and the creation in 2016 of "Smart Manufacturing Teams" to support the Japanese SMEs in their transition to digitalization.

During the last part, the representatives from the Swiss companies ABB, Georg Fisher and ICTP, made presentations on their activities related to Industry 4.0. They spoke of the major challenges they are facing in Japan, where communication can be one of the issues. This event was the 2nd "Impulse Japan" seminar held in the framework of the MOU signed with S-GE in July 2014. This second edition confirmed the attractiveness of the Japanese market for Swiss companies in the field of Industry 4.0. A 3rd edition is expected at the beginning of 2018.



Takaya Miyazaki, Head of Manufacturing Industries Technology Office, METI

Issue 94

Page -

JETRO Geneva welcomes a new Research Associate

ACTIVITY

JETRO Geneva is happy to welcome a new member to its team. Mario Marchesini joined the JET-RO Geneva office at the beginning of March 2017.

A graduate in international relations and political science, he worked in the bilateral economic relations division of the Swiss State Secretariat for Economic Affairs (SECO). " Switzerland and Japan share the same values regarding quality and precision in work. I am glad to contribute to the development of our relationship" said Mario Marchesini.

As a research associate, he will assist the Geneva office in the field of economic, legal and political research. Editor-in-chief of the JETRO Switzerland Newsletter, he will also assist the office in the communication field.





The future of individual transport?

The Geneva International Motor Show would not be the same without some futurist concept car. Toyota's iTril Concept is one of them. Small (1+2 seats) and electric, this tilting 4-wheel car can drive itself but has been reported to be fun to use.

With the NeuV Concept, Honda had also presented at the CES in Las Vegas a small electric car designed specifically for urban use.



Toyota's iTril Concept



Agenda

✓ 9th April: Celebrate the spring in the Ariana parc. The Museum will organize different activities for the Hanami (the traditional Japanese fest of the blooming Sakura trees). 11:00 - 15:00, Ariana Parc, Geneva

✓ 13th-17th April: Polymanga, the largest Swiss event on pop-culture, video-gaming and manga returns for a twelfth edition. Monthreux Music & Convention Centre, Ave Claude Nobs 5, CH-1820 Montreux.

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



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