

Advice to Exporters (Part 5)

By Shimizu Teruo

The Japan External Trade Organization (JETRO) has dispatched 31 JETRO "senior trade advisors" to trade promotion agencies of other industrialized countries with the aim of increasing exports to Japan. With abundant expertise and trade experience, these specialists give local trading firms advice on exporting through seminars, visits to individual companies and introductions to Japanese importers. They also consult with in-place JETRO staff members regarding technical and strategic measures to help smooth trade. Shimizu Teruo reports on his activities from Portugal.

In 1543 the Portuguese suddenly arrived on Tanegashima, an island in the south of Kyushu, a landing remembered for the introduction of firearms. Not only did the Japanese of the Warring States period first discover Western culture, this was also the impetus to become familiar with modern technology from the West. This year marks 450 years since the Portuguese landing, and in addition to Prime Minister Soares' visit to Japan events to commemorate 450 years of friendship between the two countries will be held throughout the country.

Although not nearly as long as 450 years, my relationship with Portugal has lasted over 30 years. In particular, I served as the business director of the Japan-Portugal Society and the Japan-Portugal Economic Liaison Council for eight years and it is now my dream as a senior trade advisor at JETRO to introduce many Portuguese products to Japan.

Since taking up this post in February 1991 I have had a seat in ICEP (Investaduras, Comercio e Excursaes do Portugal) and have made efforts to locate promising products for export to Japan. ICEP is an official organization primarily involved with the promotion of exports, investment (from other countries to Portugal and by Portuguese

companies to other countries), and tourism.

I am firmly convinced that Portuguese goods in traditional product sectors have high potential for export to Japan and believe that five sectors—fibers (especially home textiles), ceramics, wood furniture, jewelry, and wine—are particularly promising.

For these sectors in particular each type of product is produced in a specific region scattered with many leading companies. For example, there are about 200 home textile manufacturers near the ancient city of Guimaraes, 700 or so ceramics manufacturers around Caldasda Rainha and Agueda, and approximately 5,000 furniture manufacturers in Gondomar and Paredes.

Unfortunately, however, Japanese companies are unfamiliar with the current state of industry in Portugal and as a result only a small number of Japanese firms visit Portugal. On the other hand, Portuguese companies are also comparative small in size and, in truth, there is a preconception that Japan is a distant market.

Soon after taking up my post I held an export promotion seminar in order to promote understanding of Japan and change the Portuguese perception that the Japanese market was too far away. With the support of ICEP as the host organization, 30 seminars for leading trade groups, associations, and individual companies have already been held.

ICEP considers Japan an important market and, focusing on products in the preceding five sectors, has implemented a campaign to boost Portugal's image in Japan. Further, through participation in trade shows, which are very beneficial in gaining access to the Japanese market, and cooperation in hosting buying missions from Japan to Portugal enthusiasm for exports of Portuguese products to Japan is increasing.

Oita Prefecture, Oita City and Nagasaki City have longstanding historical relationships with Portugal and

Oita City has entered into a sister-city relationship with Aveiro, Portugal.

In an effort to gain some understanding of the merits of Portugal's products I urged executives of the Oita City supermarket, Tokiwa Industry, to visit Portugal. As a result, Tokiwa Industry drummed up support for a joint import mission, one of JETRO's import promotion schemes, and a trade mission from Oita Prefecture visited Portugal in February.

With support from ICEP, trade talks with 39 companies were held in Lisbon and Oporto, resulting in actual new exports to Japan of 5,200 bottles of table wine, 480 bottles of port wine, 120 bottles of Madeira (for a total of 5,800 bottles of wine), and cork products, jewelry accessories, neckties, and sports shirts, totalling more than ¥10 million in value. I was particularly pleased that all of the Portuguese exporters who signed contracts this time were exporting to Japan for the first time.

According to a report from Tokiwa Industry, sales of these products are going even better than expected and it appears that they will have new, additional orders, in particular for port wine. Building upon the success of this mission we hope to remove Portuguese companies' preconceived notion that Japan's market is too distant and will endeavor to further increase the number of examples of successful exports to Japan in the future.



A joint import mission between Nagasaki Prefecture and Portugal, held in Oporto City.