



Exporters' Stories

Col d'Orcia

Italian wine set to make a bigger splash on Japanese market

Col d'Orcia is an Italian winery in Tuscany. The 140-hectare vineyard estate has been making wine since 1890.

Most famous for its Brunello di Montalcino, Col d'Orcia has been exporting wine around the world for 45 years, taking advantage of EU trade deals.



Since the EU-South Korea trade deal lifted customs South Korean duties on wine, Col d'Orcia has seen its exports to the country grow to over 1500 bottles a year.

It has been exporting to Japan since the 1990s. The main challenges it faces are tariffs and cultural differences regarding consumption of fine wines. It expects the EU's trade deal with Japan to help it strengthen its brand presence on the Japanese market and increase sales in the same way the EU-South Korea deal did for it in South Korea.

"For many years, Japan has been an important market worldwide for Brunello di Montalcino and for Col d'Orcia wines, which have grown along with the Italian food industry over the years."

Francesco Marone Cinzano

President, Col d'Orcia

www.coldorcia.com

Masaltos

Spanish shoe company wants a larger footprint in Japan

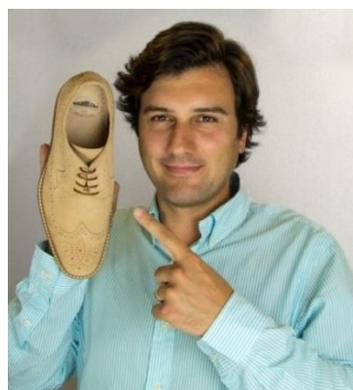
Seville-based Spanish shoe company Masaltos gets nearly two thirds of its revenue from overseas sales, with Japan accounting for 4%.

Masaltos is keen on the EU-Japan trade deal because by cutting export costs it will help the company become more competitive and increase sales in one of its most competitive markets.

"Being able to sell handmade shoes in Japan is a challenge: language, customs, marketing and ways to sell – even the design of the footwear is different."

"In terms of international trade, the main challenge is costs. We export to about 90 countries, and Japan is one of the markets with the highest tariffs."

"We can overcome this because our product is a luxury shoe aimed at a clientele with high purchasing power, but not all goods can succeed on that market if such high export costs have to be passed on to the consumer in the final price."



Antonio Fagundo

Managing Director, Masaltos

<https://www.masaltos.com/en/>



Infineon Technologies Austria

Innovative tech solutions for Japan, made in Austria

Headquartered in Villach in the state of Carinthia, microelectronics firm Infineon Austria is a leading business in the country.

Energy efficiency, mobility and security are three global megatrends in modern society. They are also the central challenges that Infineon addresses with its semiconductor and system solutions.

In cars, smartphones, industrial electronics, debit cards and ID cards – know-how from Infineon Austria is found in many everyday applications.



Between 2013 and 2016, Infineon saw its turnover increase from €377m to €982m. Last year, its business in Japan accounted for 6% of overall revenue.

“Fair free trade of the sort provided by the EU-Japan trade deal secures and creates jobs by strengthening the domestic economy. Japan is the EU’s second largest trading partner in Asia after China, so it’s essential that growing markets are open to our businesses and that we create the best possible conditions for exports and trade.

The agreement would also make products cheaper for consumers. And it helps us compete globally, including microelectronics.

Another important factor in the agreement will be harmonisation and tackling trade barriers in areas such as standards, safety regulations and public procurement.”



Sabine Herlitschka

CEO, Infineon Technologies Austria AG

<https://www.infineon.com/cms/austria/en/>

Manufaktura Bolesławiec

Polish pottery maker has its eyes set on the Japanese market.

A few years ago, pottery maker Manufaktura in the Lower Silesian town of Bolesławiec had just 10 people on its payroll. But when the EU signed a trade agreement with South Korea, the company’s sales to the country soared, giving it a real boost.



The company has grown at lightning speed, expanding its workforce from 10 to 213 in response to surging demand from South Korea. More than a fifth of Manufaktura’s staff works solely on pottery destined for South Korea.



“We’re eagerly awaiting the trade deal with Japan.

We already export there but the market is difficult because duties are high and many tests need to be carried out. In Japan, even colour combinations have to be certified.

The Japanese are eager to buy Manufaktura’s products and I’m sure the EPA between the EU and Japan will increase our sales, as did the agreement with South Korea.”



Paweł Zwierz

CEO, Manufaktura

<http://polish-pottery.com.pl/>

Katlenburger Winery

German fruit wines a winner in the land of the rising sun

Fruit wine producer Katlenburger Winery exports 10% of its production to 17 countries around the world, including Japan.

Founded in 1925 in Lower Saxony, Germany, the company began by producing sparkling apple wine. Since then, it has diversified to make wines from pears, cherries, currants and blueberries.

Today, Katlenburger’s 90 employees produce 24 million bottles of wine a year, making it the biggest fruit wine producer in Europe.



Japanese consumers are particularly fond of the Multi Vita Vino, a wine made from 10 different fruits. In 2016, Katlenberger exported 750,000 bottles of fruit wine to Japan – half the amount it sold there five years ago. Katlenberger say unfair competition and an increasingly price-sensitive market have made exporting to Japan more difficult.

Japanese duties on Katlenberger’s products are about 33 eurocents per litre. So Katlenberger would benefit from the tariffs cuts planned in the EU-Japan Economic Partnership Agreement.



“Small businesses in particular depend on exports because the domestic market is becoming more challenging and dominated by larger firms with big advertising budgets.”

Klaus Demuth

CEO, Katlenburger Kellerei GmbH & co. KG

<https://katlenburger.de/en/home/>



Herno

Japanese love affair with Italian coats and jackets set to blossom

Family-run company Herno produces high quality coats and jackets from its base in Lesa, Novara in northern Italy. Employing 170 people, it combines high style and quality with environmentally sustainable production.



In 2016, sales revenue reached €76 million, a 10% increase on 2015. Exports accounted for over 60% of the company's total revenue.

Herno is already well established in Japan. It opened its first store in Japan in 1971 in Osaka. In 2017 it plans to open a second flagship store in Tokyo's upmarket Ginza district. The Japanese market accounts for over 15% of Herno's sales.



Italian clothing exports to Japan are a success story. In 2016 they amounted to €1 billion, a 7% increase on 2015. Japan is the industry's fourth biggest export market outside Europe.

Japanese consumers appreciate Italian style and the high quality that comes from Italian producers' investment in research and development. But barriers to exporting remain. Japanese tariffs on clothes are up to 10%. And Japan has its own standards for care labels instead of using international ones. Having to produce different labels for the Japanese market imposes extra costs for Europe's exporters.

Herno hopes the new EU-Japan trade deal will help on both fronts. It will scrap Japanese customs tariffs completely from day one and Japan has agreed to align its labelling system with international standards. This will cut EU exporters' costs and make them more competitive.

And it won't just be clothing companies like Herno and their employees that benefit. More exports will mean that companies providing Herno with services, from logistics to accountancy, are also set to reap rewards.



"The new EU-Japan Economic Partnership Agreement is good news for companies like Herno. By cutting customs tariffs and simplifying standards, it'll help us free up time, resources and money to be invested more productively. And it'll create a setting in which a competitive and innovative player like Herno can thrive and export even more."

Claudio Morenzi

CEO, Herno S.p.A.

<http://www.herno.it/index.php/en/menu>