

**Pavilion Organizer - SPAIN****AN INTERVIEW WITH MR. ALEJANDRO NIETO, COMMERCIAL ATTACHE, ECONOMIC AND COMMERCIAL OFFICE TOKYO, EMBASSY OF SPAIN**

Foodex is a professional, and well-organized large international trade fair, with an important participation of Japanese and foreign producers and buyers. And our companies try to benefit from everything Foodex has to offer to exhibitors: meetings with some of the largest importers and distributors, B2B contacts, seminars. —Alejandro Nieto

**Q: Please introduce yourself and tell us about the roles of your institution.**

I work at the Economic and Commercial Office of Spain, which is a part of the Spanish Embassy in Japan. Our main role is to enhance bilateral relations in this field. This involves official and institutional work and management of trade and investment promotion activities in general. We interact both with the administration and our main partner, the private sector.

We basically look after the interest of Spanish companies in all sectors of the economy in their dealings with Japan, and provide them with information, connections and advice. In terms of business promotion, as in the case of Foodex, we work as a representative of the Spanish Institute of Foreign Trade (ICEX), the State agency for promoting the international projection of Spanish companies.

Most of my professional career I have been working for the Ministry of Economy and Competitiveness in Madrid but also in several Embassies and with International Financial Institutions. These last two years in Japan I am fortunate to work here with a team of highly professional people. It's a demanding market in every sense, and a pleasant and highly enjoyable place to live.

## **Q: Spain exports a variety of products to Japan. Do you have any particular products that you especially give an importance to?**

The Spanish food and wine industry is very competitive and of high quality and a significant contributor to our economy in particular for its focus on exports. In Japan we promote an extensive range of products: meat, fish, wine and other beverages, olive oil, and other quality processed products. Approximately 15% of the total Spanish exports are food and



beverages products, including a relatively high percentage of fresh fruits and vegetables, which unfortunately cannot be exported now to Japan due to Japanese regulations. This happens in spite of having in the EU quality and fito-sanitary standards internationally recognized to be not less strict than those in Japan itself. Hopefully in the future, this will change.

To give you a few examples of our wide range of exports in the agrofood industry, Spain is the leading world producer of olive oil and olives; the first exporter in Europe of fruit and vegetables, and are one of the biggest players of food and vegetable preserves. The Spanish meat industry is the 5th world exporter of pork meat products, particularly famous for "Iberico" products. We are the largest producer of wine in the world, with several unique varieties of grapes and an extensive system of geographical denomination of origin, and unique products such as Cava or Sherry. Spain is also the 3rd world exporter of fish and the first in the world in the premium sector of canned sea products. You can find more than a 100 different cheeses of all types being produced in Spain, many with a recognized protected origin. And many other sophisticated and traditional gourmet foods.

## **Q: What are your main activities that support Spanish companies to enter**

## **the Japanese market? Besides Foodex, what kinds of activities are you engaged in?**

What we basically do is to assist companies to start and consolidate their business in Japan, at different stages. We organize trade missions to Japan; bring buyers and opinion leaders to Spain; arrange meetings with potential partners; do different promotional activities working in tandem with importers and distributors, talk to them and try to suit our promotion activities to match their needs; or participate in international trade fairs. Foodex is, of course, one of the preferred tools in the food and beverage sector. It helps companies seeking opportunities in the market and also works as a showcase and important source of information for companies that are already active here.

Our websites and information seminars are also important means for communicating market trends and the business environment in the highly competitive and dynamic Japanese market. We are also keen to show Japanese companies what is produced in Spain. More and more Japanese firms travel to see what and how things are being produced there. The more they know about the Spanish industry capabilities the more they become interested. It is important for Japanese companies to also pass the information to their consumers. We also help with a little B2C activities.

## **Q: Do you set a strategic plan for marketing or promotion plans on a single year basis?**

You need a longer term strategy to continue working in Japan. We don't do anything without listening and before discussing the requests of companies regarding what they want to do here. Then we match and try to complement our plan with what they want to do. We like to be business oriented. Our role can also be relevant advising on the market we follow and after talking to the needs of the Japanese counterpart.

What we try to do is plan our actions for a period of several years to achieve a longer term target. Of course, all depends on the available resources to do special promotions, but we try to keep ourselves informed on the market's movement, evaluate what we do and organize our work in a planned way.

## **Q: Japan is experiencing a demographic change where the aging population is on the rise, while the total population is declining. From this change, eating**

## habits and market situations are beginning to shift. How would you look at the Japanese market particularly of today and in the future?

I am confident about the future. Japan is and will be a very important market not only for its size, but also for its fast changing nature that requires continuous adaptation and innovation from suppliers. The aging population is of course one factor to take into account, but I would focus on the opportunity it presents for food products that are healthy, natural,



made from the best quality ingredients, and are directed to that particular group of the population. Spain and other European countries are also experiencing a similar demographic phenomenon. Longevity in both of our countries comes in part from our healthy habits of consumption in what we eat. The Spanish diet is similar to the Japanese, we like to eat healthy and definitely enjoy food. We consume a lot of fish. Of course olive oil is an important ingredient in our diet, as are fruits and vegetables. This is also reflected in the quality of our produce. The Spanish food and beverage industry is very well aware of that and is in a very good position because of its quality of process and ingredients.

In Japan the consumer is knowledgeable about food. They want to know what they are buying, where and how is produced, and want it impeccably presented. That makes the market very interesting for the high quality producers. You cannot come here with just another product. I am confident because there are many experienced Spanish exporters ready to come to demonstrate their products to the market where they have to give their best.

## **Q: What are the difficulties or problems that you feel for Spanish companies to enter the Japanese market?**

Quality and production standards in every respect are not a problem for Spanish industries. Excessively restrictive and inefficient practices in trade related regulations in some subsectors may be more of a problem in Japan. This is why we work in close relationships with our European partners, EU delegations, and business associations to overcome this difficulty.

In terms of how to conduct business, it all starts by knowing the market, understanding what

is required, meeting the demands of Japanese companies, and being able to adapt to the Japanese consumer. But those are business difficulties not artificial impediments. Companies know that Japan is a challenging market, and those who want to enter must come prepared and with the best they have to offer. This is why we try to set standards for companies participating in Foodex.

Distance may be another challenge but a relatively minor one when what is important is to find reliable long lasting business partners.

## **Q: What do you make of tradeshows such as Foodex and how do you evaluate it?**

Foodex is an essential and probably the most important trade fair to introduce, promote and sell new products to Japan. That's the result we regularly get from the large majority of participating firms from Spain. More than 100 companies will be again exhibiting at the ICEX pavilion, and more exhibiting with their Japanese partners elsewhere. Foodex is a professional, and well-organized large international trade fair, with an important participation of Japanese and foreign producers and buyers. And our companies try to benefit from everything Foodex has to offer to exhibitors: meetings with some of the largest importers and distributors, B2B contacts, seminars.

## **Q: What are the main promotion activities of next year?**

We'll continue doing what we have been doing in the last few years since things are going very well. Japanese companies and consumers are getting to know and accepting more and more new Spanish products that are selling better each year. We have been using Foodex as one of the main platforms to introduce new products, and ICEX will probably continue to exhibit in the future.

Our own trade fairs for quality products will also have a continuation. Promotion activities will take place in 5 different cities in Japan, always in cooperation with importers and distributors. We will work on our food and wines from Spain websites and will go forward with our information seminars and our reporting on the market. One priority will be to search for new business, and find new partners with potential throughout Japan. We will also do our best assisting Japanese companies both in their marketing activities and to find new opportunities in Spain.

**Q: Do you have any particular goals in terms of volume or value?**

Looking at Foodex is particular, our main goal is to organize everything to provide the best services possible to the exhibiting companies so they can concentrate on their business, make connections and consolidate their relation with partners.

More generally speaking, in terms of export growth we think there is ample room for improvement. As I mentioned before, exports from Spain to Japan have been increasing steadily over the past few years. The relative weak value of the yen may have some negative effect in the short run, but the Spanish food and beverage industry is of high quality and has made a great effort lately not only to increase its competitiveness in general, but to adapt to the Japanese market to remain reliable partners. Our firms have better know-how than ever and there is an increased interest in competing and providing the best products and services in Japan. We hope to see this tendency keeping its pace and to see an increase in business. Market conditions and the economic prospect seem to be improving, and more into the future, there is a great opportunity ahead to expand our mutually beneficial trade and investment depending on the success of the ongoing FTA negotiations.

**Q: A lot of the imported wines and foods are consumed at restaurants from a particular type of cuisine in Japan. What is the situation of Spanish wines in restaurants?**

Spanish wine is consumed at Spanish restaurants but is growing everywhere including Japanese restaurants thanks to the perfect pairing of some wines with Japanese food. The Japanese consumer has a favorable image of Spanish gastronomy and world renowned cuisine. There is a growing interest in the 100% Spanish tradition of eating tapas with Spanish products and Spanish wines. Supermarkets are nevertheless the most important channel for wines. There must be more point of sale promotion. The excellent quality-price balance of Spanish wine is maintained all the way to the higher quality range. This is where we focus when we do our wine promotions. We like to work with special quality denomination of origin producers and importers of wine from Spain.



FOODS & WINES  
*from* SPAIN