

Interview Date: July 11, 2017

Latina, Inc.



Mr. Susumu Yasumoto, Senior Managing Director of Latina, Inc.

Q: Please tell us about your company.

It started in 1995, as an importer of natural products of Peruvian origin, under the name of Coperunix Japan, Inc. At first, the company imported directly from Peru the medicinal plant called cat's claw (Una de gato) and one year later, maca root dry powder traditionally cultivated in Peruvian highlands, which is now our main product. Afterwards similar products were imported from Brazil, Argentine and Chile. In the year 2000, for particular reason, the corporate name was changed to Latina. In 2012, we encountered Nikka Planning, Co. Ltd. and were merged. NP is now our parent company. Nikka Planning specializes in trading processed vegetables from China, but they became our shareholding company with a view to developing future business opportunity for South American agricultural products.

Q: Will maca continue to be your main product?

Basically yes. But for lack of scientific studies and data required by the Ministry, we are not able to apply Maca ingredient for 'functional product' labeling system established a few years ago. However, last year we conducted a clinical trial targeting menopausal women, and gathered favorable data. That data serves as an important backbone for our sales.



Products (Maca, chia, camu camu, others)



Super food "Maqui Berry"

Q: Are you looking for any other new products at present?

Yes we are. As you know, in South America, especially in the Amazon area, there are many medicinal plants useful for our health, but there is a lack of information about them in many respects, so, we're looking for at least information about unusual good plants or products, that are well accepted in local market but little known in Japan.

Q: Do you mainly look for new products at trade shows?

Of course, we go to trade shows. At FOODEX, for example, we're interested in the booths that JETRO manages. We want to get into trading relations with countries that are unfamiliar in Japan for their interesting products. Very often we go abroad to a region for the purpose of visiting a specific company, and sometimes we also visit suppliers that our local partner in Lima found for us. We recently visited the premises of companies we had business talks with in business networking at this year's FOODEX.

Q: Do you face any big challenges in trading with overseas companies?

We have a company called CPX in Lima, Peru who acts as our contact for South America, so if anything happens, we can communicate through them. Sometimes our staff member has to stay at an overseas supplier's site for as long as two months to confirm compliance with Japanese standards and regulations. We don't want to just unilaterally push what we want, but listening to what the other side has to say and always accept it is not a correct way to do international business either. In a world of bridging gaps between cultures, which can't be done just by language interpretation, it's really tough to fill those gaps. For example, if the other side says "we'll do it now", the question is "how soon is 'now'?" It often happens that you let them do what they say believing they will do it correctly, but the result is no good at all. There are basic differences in standards and values, so, it's really tough to fill the gaps. Another point is that agricultural produce, in particular, has harvest seasons, so if you miss the timing in the negotiation, you will have to wait for another year. That's why we want to start negotiation at an earlier stage to avoid it, but sometimes it doesn't go well.

Q: What points do you emphasize, and what assessment yardsticks do you use, in trading?

~ Besides novelty, we look into things that are interesting and have market potential

But no matter how strong the product market potential may be in that country, it doesn't mean anything if it doesn't sell in Japan. For example, *mate* tea from South America is said to be one of "the world's three great teas", but the same tea has been launched in Japan by some powerful company but failed, it was very difficult to get it rooted in the market.

We don't use any particular yardsticks for assessment, but we feel it's very important that the supplier listens humbly to what we say, and does all he can to comply honestly. We value the gut feeling that we can do business with them, or that we can work something out with them.

Q: Are you particular about product certification?

There's nothing that we're particularly fussy about. We don't think it's necessary to get JAS Organic certification just for selling in Japan. It may be worth obtaining GMP certificate.

Q: What are your expectations in trading with overseas companies?

We expect them to properly provide us with a certain level of information. For example, sometimes product information is provided in advance about a product presented at a trade show, but when we actually meet and talk about it, the facts are different. Ultimately, we would have to visit the supplier and see with our own eyes, before closing a deal.

If the supplier doesn't provide us with correct information from the start, we don't know how far we can trust them. I do admit there is inevitable difference in the national character but I insist that Japan is one of the most difficult markets in the world, so that the first and most important step to take is to provide us with the minimum level of correct information for our product evaluation.

Q: Are there any final comments you'd like to add?

Going abroad to visit suppliers is tough because it takes time and money, but the joy after struggling through to the successful stage where we put something new on sale is really special. Many people in Japan still know nothing about South American products, so simply bringing in something new or unusual doesn't mean it will catch on quickly. We want to pick things up gradually and spread them little by little to the whole Japanese public.

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