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# World Eye Reports Brazil

Saúde Global em Harmonia  
**Yakult**

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## Brazil and Japan: Committed to a long-term future

Though more than 17,000 km separate the two countries, Brazil and Japan are celebrating 120 years of a relationship that is getting stronger in a time of challenges and adversity.

Today, Brazil's ethnic Japanese community stands at 1.9 million strong, the largest Japanese population outside Japan. Through the years, the Nipo-brasileiros have become valuable contributors to Brazil's economy.

"Over more than 100 years, Japanese and Japanese-Brazilian descendants have contributed to the development of Brazilian society, and have achieved a strong mutual trust," said Kunio Umeda, the Japanese ambassador to Brazil.

This has made Brazil and Japan complementary partners on many fronts. More than 700 Japanese companies are now present in Brazil and actively shaping Brazilian life.

Many of these companies have

introduced technologies that improve Brazilians' lifestyle. Brazil, in turn, ensures that Japan has a stable supply of natural resources.

"Brazil is an indispensable partner for Japan for resources and food security," says Umeda.

Today, while Brazil's economy — the world's seventh largest — faces economic and political challenges, the relationship remains steadfast. While others may shy away, the Japanese business community has kept a long-term view of the importance of Brazil and maintained investment.

"I believe that Brazil will overcome the current crisis and move forward to build a fair, transparent nation, as the country already enjoys democracy, an independent judiciary, and a free press," concluded Umeda. "Brazil is currently facing a historic turning point to become a better nation."

[www.br.emb-japan.go.jp](http://www.br.emb-japan.go.jp)

Over more than 100 years, Japanese and Japanese-Brazilian descendants have contributed to the development of Brazilian society ...



— KUNIO UMEDA  
Japanese Ambassador to Brazil

## Brazil is key manufacturing base for Japanese innovator

For Nagano-based Epson — one of the world's largest and most innovative manufacturers of computer printers and information and imaging equipment — Brazil is a unique and strategic manufacturing hub.

"We are the only Epson manufacturing company outside of Asia that produces printers," said Keijiro Isomura, general director of Epson's Brazilian subsidiary, Epson Paulista. "Brazil is the only exception, and this represents our strong commitment to the local economy."

The company began Brazilian production in 1997. In 2013, it fully revamped its capabilities there. "The size of the market in Brazil is as big as Japan's in the printing sector," he continued. "It's obvious how important Brazil is to our global business, and how necessary it is to strengthen our manufacturing capabilities in this country. In fact, last year we hit a record for manufactured printers, and we expect this figure to grow even higher this year."

One of Epson Paulista's main production lines is focused on its

"EcoTank" series printers. These innovative machines drive down printing costs, as they come supplied with two years of ink, based on an average of 165 printed pages monthly with the included ink bottles, eliminating the need for normal replacement of ink cartridges.

"We are the first company in our industry to change the business model by offering hardware with a higher upfront price, but with a more cost-effective approach to the recurring costs of printer ink," explained Isomura.

Today, with his company's steady increase in production volume and focus on growth, Isomura is strategically exploring export opportunities within the region, as well as expanding the range of Epson products suitable for the Brazilian market.

"We've already partnered with a Manaus-based company for the manufacturing of video projectors," he said. "We will continue to seek opportunities to further broaden the product line ups of local manufacturing, including business inkjet printers in the future."

[www.epson.com.br](http://www.epson.com.br)

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— KEIJIRO ISOMURA  
General Director of Epson Paulista

## Japanese health drink is as Brazilian as samba

Sao Paulo is home to the largest Japanese population outside Japan. When Japanese immigrants first arrived in Brazil in the early 1900s they had to adapt to an entirely new world, but their dietary preferences remained the same. This prompted the expansion of Yakult — the probiotic dairy product created by Minoru Shirota in 1935 — into the country in 1966. Historically, Brazil has been Yakult's second overseas market after Taiwan.

"Relations between our two countries go back 120 years," said Eishin Shimada, president and director of Yakult Industria e Comercio in Brazil. "Because of the large Japanese population here, our initial aim was to serve them. Later on, the rest of the population in Brazil learned of the health benefits of our beverage and started drinking it too."

The health benefits of the live Lactobacillus casei Shirota strain in every Yakult



Yakult's third centralized production facility at Lorena, Sao Paulo

drink have been supported by extensive scientific evidence. These microorganisms principally assist with the immune and gastrointestinal systems of the human

body. "Our priority has always been to contribute to people's health," said Shimada. "Recent studies have shown that Yakult is

also beneficial to the immune system." The company's efforts in marketing the product since it started manufacturing in Sao Bernardo do Campo in Sao Paulo in

1968 have resulted in Yakult's successful inclusion as a basic part of the Brazilian diet. Year after year since then, sales in Brazil have grown an average of 8 percent. Today, Brazil represents Yakult's sixth-largest international market.

And while Yakult is already immensely popular in Sao Paulo and neighboring states, there is a tremendous opportunity for the company to double or triple its business by expanding further throughout Brazil.

"Our priority is to strengthen our logistics and distribution especially in areas such as Manaus, Salvador and Fortaleza," explained Shimada. "Yakult is typically enjoyed as a healthy, chilled beverage in warmer climates and Brazilians in the north of the country would surely benefit from our beverage the same way Japanese immigrants and Paulistas have for almost five decades." [www.yakult.com.br](http://www.yakult.com.br)

## As Brazil navigates a challenging economy, essential trade services maintain quality

Considering the sheer size of Brazil (South America's largest country) and the requirements needed to transport its principal exports and commodities, one of Japan's largest transportation companies has been firmly established there since 2007. The company, "K" Line Brasil, focuses on transport and logistics in the auto sector, in which Brazil is a global top-ten producer.

"We are one of the main players in the car carrier roll-on/roll-off (RoRo) trade between the U.S., Mexico and South America," explained Takayoshi Kaneko, director president of "K" Line Brasil.

"Our clients are the major auto manufacturers. As they all have production bases in Argentina and Brazil, we ensure safe delivery and prompt and reliable transportation services from the production bases to their respective markets."

"K" Line has been a global pioneer in auto transport using pure car carriers (PCC) since it first launched this service in Japan in 1970. The company brought this expertise to Brazil in the late 1980's and established a new entity, "K" Line RoRo & Bulk Agencia Maritima — dedicated specifically to the car carrier business in 2009.

While the current downturn in the



One of K Line's newest pure car carrier (PCC) vessels

Brazilian economy has affected the auto industry and, ultimately, their business in general, Kaneko said he understands its cyclical nature. He is optimistic that Brazil will successfully navigate through this period and come out of it stronger.

"Brazil is a wealthy nation and one of the largest car markets in the world," he said. "As a market leader in auto transportation in the region, we will continue to do our part to facilitate trade through the high quality services we offer. We are committed to both our customers and the Brazilian market long term." [www.kline.co.jp/en](http://www.kline.co.jp/en)

## In a giant country, quality-focused, reliable logistics is key

"When you consider Brazil's population of 200 million, there is a tremendous amount of cargo movement required daily," said Koji Hosoya, president of Nippon Express do Brasil (NEDB). "Our aim is to provide the best logistics services to serve our customers in this vast country."

Established in 1979, the local subsidiary of the Japanese logistics company has six partner agents and offices in Sao Paulo, Santos Port, Viracopos Airport, Curitiba, Manaus, Rio de Janeiro and Cajamar.

"Recognizing the demand and needs of our clients, we established a 2,200 sq. meter warehouse in Cajamar last year," said Hosoya. "This is a strategic location for us because of its proximity to Sao Paulo, Santos Port and the two main airports that serve greater Sao Paulo."

NEDB's Cajamar Logistics Center provides storage services for companies in the medical devices, cosmetics, hygiene products, foodstuff and nutritional food sectors. "We

"With the current depreciation of the Brazilian real, there is an opportunity to provide a full range of logistics services to other local exporters."

— KOJI HOSOYA  
President of Nippon Express do Brasil



are securing an ANVISA certification from Brazil's Ministry of Health to specifically handle medical products," noted Hosoya.

While 95 percent of NEDB's clientele are leading Japanese companies from the automotive and electronics industries, the company has been investing in growing its local customer base. "With the current depreciation of the Brazilian real, there is an opportunity to provide a full range of logistics services

to other local exporters," he said.

NEDB has handled such high profile cargo projects as transportation for the Sao Paulo monorail and the temporary importation of broadcasting equipment and their inland transfer across Brazil during the World Cup last year. Under Hosoya, it remains committed to providing top-notch logistics services to its customers in the coming years. [www.nippon-express.com.br](http://www.nippon-express.com.br)

## 'Juntos' for a stronger Brazil

Brazil is the seventh-largest economy in the world. While the robust GDP growth from 2000 to 2012 has cooled off for now, infrastructure development, building demand and industrial automation continue to be areas of opportunity in Latin America's largest economy.

Recognizing this demand and the long-term position of Brazil, Mitsubishi Electric established a sales subsidiary there in 2012 that is dedicated to providing customers with total solutions for those growing areas.

"We've been active in Brazil for more than 40 years, but in recent years we have also designated the country as a priority market for the group," explained Koji Miyashita, executive vice president of Mitsubishi Electric do Brasil and head of Mitsubishi Electric Latin America. "This is why we established the new sales company to consolidate our efforts and strengthen our presence here."

The company is a leader in industrial automation solutions, elevators and escalators, transportation systems, automotive equipment and air conditioning systems. In fact, the Pele Museum in Santos City and both the Supreme Federal Court and Superior Electoral Court in Brasilia

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— KOJI MIYASHITA  
Executive Vice President of Mitsubishi Electric do Brasil  
Head of Mitsubishi Electric Latin America



are equipped with Mitsubishi Electric's air conditioners.

Mitsubishi Electric has also provided transportation systems for the Rio de Janeiro and Sao Paulo metro systems and the greater Sao Paulo commuter rail network (Companhia Paulista de Trens Metropolitanos), as well as water process solutions to waste water facilities in Sao Paulo and other municipalities.

"Whether it's in buildings, social infrastructure or automation solutions, our aim is to leave our

mark on Brazilian society," said Miyashita. "We want to be able to contribute to the progress and development of this country that has graciously hosted us for over a century."

"Juntos," Portuguese for "together," is the concept at the core of the company's mission in Brazil. "With the safe and highly efficient solutions we offer, our aim is to create a better quality of life for our Brazilian customers," said Miyashita. [www.mitsubishielectric.com.br](http://www.mitsubishielectric.com.br)

## Tropical heat meets a global cooling specialist

A relative newcomer to the Brazilian market, Daikin Industries is already a leader in its industry locally. It firmly committed itself to the South American giant by establishing a local subsidiary — Daikin McQuay Air Conditioning — in Sao Paulo in 2011, followed by two manufacturing plants in Mogi das Cruzes and Manaus.

"We've recently commenced operations in our facility in Manaus, dedicated to manufacturing high-end multisplit air conditioning systems," said Luiz Carlos C. Cabral, president of Daikin McQuay Air Conditioning. "This is a product we believe will be successful here in Brazil. And we are the first in Brazil to manufacture these systems."

Focused on the production of high-end products, the company already holds the No. 1 market share position in the country for multisplit air conditioning systems and the No. 2 market position for the Daikin VRV system: a multisplit type air conditioner for commercial buildings.

Both core products of the company offer superior performance, energy-efficiency and comfort — ensuring lower costs and less negative environmental impact.

Cabral has been instrumental to his company's immediate rise and double-digit growth over the last four years. He had previously led the company's pioneering sales team of

I want our company to be number one in Brazil with strong local manufacturing and an R&D team dedicated to conceptualizing products for this tropical country that requires cooling for living and working comfortably."

— LUIZ CARLOS C. CABRAL  
President of Daikin McQuay Air Conditioning



savvy industry veterans and up-and-coming salespeople prior to becoming its president. "I'm very proud of the team I put together, and how we have all worked together toward a common goal of building a company that offers quality products and superior service to our customers," he said.

Cabral insists there is still much work to be done for the young company. "While we continue to educate architects and end users

on the merits of our applications — particularly in multisplit systems — we intend to gain market share with our other product offerings," he declared. "I want our company to be number one in Brazil with strong local manufacturing and an R&D team dedicated to conceptualizing products for this tropical country that requires cooling for living and working comfortably."

[www.daikin.com.br](http://www.daikin.com.br)



### CORRECTION

In our report on India published on Oct. 2, 2015, the photo of the main branch building of State Bank of India (SBI) was wrongly identified as the State Bank Bhavan building. The Main Branch is a heritage building which is one of Mumbai's most treasured structures, while State Bank Bhavan is a modern high rise building in another part of Mumbai. WER regrets the captioning error.