



World Eye Reports

Poland



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Expanding a strategic partnership

Celebrating the 90th anniversary of formal relations this year, Poland and Japan have highlighted a long and very deep history that dates back since the end of World War I, and have mapped out strategies to expand ties beyond diplomacy.

And over the years, the Polish have also admired the culture and tradition of the Japanese.

“Even Lech Walesa, our first president, wanted to make Gdansk into a little Japan,” says Pawel Adamowicz, mayor of the major seaport and shipbuilding city.

Today, Japan regards Poland an important economic partner as the Eastern European country has displayed strength and stability the past few years.

Since 2006, the Polish economy has grown at least 6 percent due to a surge in foreign direct investment, which was estimated at 15 billion euros that year.

Aside from falling unemployment, Polish exports have also grown the past two years by nearly 20 percent, registering a value of nearly 92 million euros.

Taking advantage of this robust growth, at least 230 Japanese companies have established operations in Poland, which possesses several advantages over nearby locations.

With over 500 higher education institutes, the country boasts a large population of highly skilled workers.

“We noticed that the Polish are very enthusiastic about their work and are also very quick learners,” says Atsuo Maeda, director of the

Japan External Trade Organization in Poland.

Another of Poland’s advantages is its location at the center of the 25-member European Union. For transport and logistics companies, the country appears to be an ideal place to oversee the distribution and movement of goods.

“Our company has done very well holding storage facilities in



Japanese Ambassador to Poland Ryuichi Tanabe

the Baltic Sea and sending products to Russia from Western Europe,” shares MOL Europe Gener-

al Manager Jaroslaw Grochowski.

And as the beneficiary of EU funds, those seaports are being further modernized to provide more extensive connections.

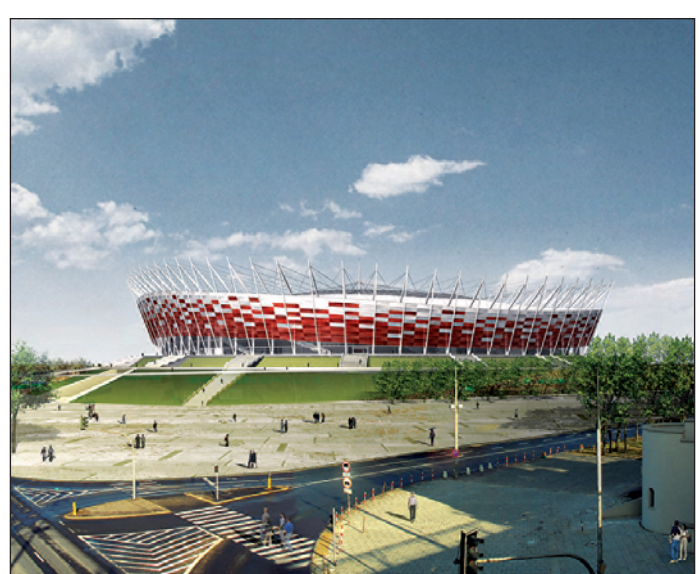
With almost 40 million people, Poland represents more than one-third of consumers from the 10 newest EU member countries.

“Our country is the 30th largest market in the world. In 2007, we spent around 5.5 billion euros on cars alone. The biggest Japanese corporations are present in Poland because they see the country as a steady source of investment,” says Pawel Stelmazczyk, vice president for foreign direct investment of the Polish Information and Foreign Investment Agency.

“Some of them entered the country buying state-owned enterprises in the early 1990s and helped privatize them,” he adds.

Meanwhile, Poland has also received much funding ahead of the country’s co-hosting of the UEFA European Football Championship in 2012.

“The European Union has granted us over 67 billion euros. We aim to use this budget on improving infrastructure, especially because we are aiming to host Euro 2012, and also for research and development,” shares Katarzyna



Poland has begun a major infrastructure upgrade ahead of its co-hosting of the UEFA European Football Championship in 2012. Pictured above is a digital rendering of a refurbished Warsaw National Stadium.

Zajdel-Kurowska, undersecretary of state from the Ministry of Finance.

A large portion of EU funds is also earmarked for the construction and improvement of special economic zones, which are planned to speed up the development outside the capital Warsaw.

“One of the biggest manufac-

turing plants in Poland is owned by Toshiba to assemble our LCD TVs,” says Toshiba TEC President Zbigniew Poro.

The importance of bilateral ties was made clear in December 2008, when Polish President Lech Kaczynski visited Japan, where he and his wife were welcomed by Prime Minister Taro Aso. ♦

Wielding the sharp edge of technology

Before 2005, Sharp used to be known in Poland solely for office equipment and machines, such as copiers, electronic cash registers, calculators and fax machines.

In the last three years, the Japanese electronics giant has embarked on an aggressive re-branding campaign to promote its leading digital and electronic products, and obtained a bigger market share in the country in the process.

“When I was promoted to managing director in 2005, I decided to complete our corporate strategy and focus more on Sharp’s brand image by heavily marketing our products. We invested in billboards, television commercials and many other avenues of advertising,” says Sharp Poland chief Jacek Klekowski.

“Cooperation with Cyfra+, one of the biggest satellite TV providers on the Polish market (with over 1 million subscribers), has resulted in increased sales of TV sets – with full HD resolution in particular,” he adds.

By building close relations with its distributors, Sharp Poland has become one of the country’s leading electronic brands with its AQUOS LCD TV emerging the most popular product.

“Most television sets found in Western European homes are LCD or flat screens. Poland used to be behind, but today the situation has completely changed. The demand for LCD TVs is growing very fast. We focused only on selling LCD TVs. It was a drastic change at first, but we wanted to show our customers our consistency to the new changes happening in tech-



Sharp Poland Managing Director Jacek Klekowski

nology. It was very risky, but it made it all the more possible to increase our turnover on the LCD TV sets, and in the end, it did,” he said.

In 2008, Sharp Poland’s turnover rose 70 million euros over the previous year to around

110 million euros.

“In June 2008, the president of Sharp Corp. in Japan, Katsuhiko Machida, visited Poland, and saw the potential of the local market and was pleased with our increasing growth. Local sales were growing more than 50 percent each year and this is attributed to Poland’s large population of almost 40 million,” says Klekowski.

In the near future, Sharp Poland plans to introduce new products that boast its cutting-edge technology.

“We would also like to increase our market share in other home appliance segments, with special attention to food storage appliances, food preparation equipment and devices. Among the mentioned segments, the most important are refrigerators, air conditioners and SuperSteam ovens with convection and microwave functions, or food heating and cooking systems that are a combination of conventional microwave ovens and a unique solution called the “super-heated steam system,”” says Klekowski.

“This technology is more efficient than the current steam technology in devices used in restaurants and homes. Although this technology is extremely sophisticated and quite costly, Sharp Corp. has successfully introduced it into home appliances. The newest models will be available on the Polish market soon,” he adds. ♦

www.sharp.pl

Warsaw – the birth of a metropolis

With its wealth of history, and thanks to its determination to grow into a leading European tourism and business hub, Warsaw has undergone a dramatic transformation.

With historical sites throughout the city and globally minded business community, the Polish capital attracts a growing number of foreign tourists and investors, and it has taken on the challenges and



Frederic Chopin Monument

opportunities of the future.

Located on the Vistula River, Warsaw is the eighth-largest city in the European Union, with a population of nearly 2 million and an increasing number of foreign visitors.

The Royal Castle, the Royal Route, King Sigismund’s Column, Ogród Saski Park and the Barbican attract foreign tourists who appreciate the city’s wealth of culture. In fact, Warsaw is a strong contender to be designated European Capital of Culture in 2016.

Aside from being a leading tourist destination, the metropolis is gaining a stronger reputation as a top business hub with the increased influx of international companies and foreign investment.

By adopting free-market and democratic measures, Warsaw has emerged as one of the fastest-growing cities in Europe.

Investments in construction are turning the city into a vibrant metropolis, with luxury apartments, high-end office buildings, and a thriving retail sector with new hy-

permarkets and shopping centers.

Its central location in Europe, convenient travel connections, developed telecommunications network, as well as its economic and political stability, have ensured that Warsaw will attract even more foreign business. Its skilled workforce, high standard of living, good health care and education services add to the advantages of Warsaw.

Ahead of the European Football Championship in 2012 (to be held in Poland and Ukraine) Warsaw has undertaken major infrastructure projects, including a redesigned National Stadium that hopes to showcase the country’s growing international profile.

Parks, nature reserves and protected areas can be found throughout the city, with green areas covering 47 percent of Warsaw. It has over 450 national monuments, and hosts concerts and other cultural events all year round.

Many of the city’s concerts feature the music of Frederic Chopin (1810-1849), arguably the greatest Polish composer and pianist,

whose solo compositions for the piano are admired for their expressive tone and intensity.

Justifiably proud of the legacy left behind by the child prodigy, the city will celebrate the 200th anniversary of the composer’s birth next year with the opening of the Chopin Center. Many Japanese tourists are expected to join the celebrations as Chopin enjoys much popularity in Japan. ♦

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Warsaw's Palace of Culture and Science

SHARP AQUOS WE SHARE OUR BEST ACHIEVEMENTS SHARP FOR POLAND. Includes image of AQUOS LC-52XL2E TV and technical details like Liquid crystal, Full HD matrix, FULL HD 1080P, 100Hz.

Nikon captures local market through innovation

When it established a subsidiary in Poland five years ago, Nikon was perceived as an inaccessible brand among average Polish consumers. While the Japanese company provided high-tech and user-friendly cameras, its products were considered expensive and geared toward professional photographers.

Since then, Nikon has changed its brand image by adapting to developments in the industry, releasing a wide range of more user-friendly cameras and adjusting its pricing to the local market.

“Amid a drastic erosion of prices of cameras around the world, the prices of Nikon cameras have dropped. However, it was a continuous process in Poland over the last few years,” explains Nikon Polska General Director Piotr Przychodzień.

“Now Nikon is more competitive if you take into account its product offering and the price to performance ratio. Also, improved communication has made our clients more aware of Nikon’s competitive advantage,” he adds.

Despite a focus on the compact-camera segment, whose market has grown over 20 percent yearly

and whose value grew 75 percent last year, Nikon substantially developed its traditional expertise in another imaging technology – digital single-lens reflex (DSLR) cameras. The DSLR segment grew 39 percent from 2007 to 2008 in terms of volume.

“In the compact-camera segment, prices are similar for models with comparable features within a group. While design varies from series to series, competition is fierce. So customer loyalty and trust in a brand are the deciding factors when selecting a compact camera,” says Przychodzień.

“In the DSLR segment, individuals with some experience with a compact or analog SLR camera and who want to develop their skills in photography can purchase our more advanced models. Our idea is not only to sell a DSLR product but also share the know-how and high technology, areas in which Nikon excels over others in the market,” he adds.

In the past five years, Nikon has led over its competitors Canon, Sony and Olympus in Poland in the DSLR segment, with a yearly average market share of over 35 percent.



Nikon Polska General Director Piotr Przychodzień

“To defend our current position, we are executing a strategy of ‘balanced development,’ wherein we need to ensure a balance between profitability, market share and brand image. The Polish standard of living is increasing, and people want the best and latest

technology like anywhere else but at a reasonable price. If we meet their expectations and consider constraints on purchasing power, we can provide Nikon’s clients with an almost perfect tool to enjoy their hobby,” he says. ♦

www.nikon.pl



