

Far East to South East

Japanese pharmaceutical wholesaler, Kosei Pharmaceutical, is well placed to enter the UK and European markets, launching a new office in Slough with help from UK Trade & Investment



Since 1952, Japanese company Kosei Pharmaceutical has been a pharmaceutical wholesaler, and today sells its prescription medication to 6000 pharmacies, 5000 doctors, 2000 dentists and 200 hospitals across Japan. Though relatively small, with only 40 employees, the company prides itself on its high quality products and competitive prices, which have seen it achieve an annual turnover of 11 billion yen (£88 million).

In 2009, Kosei recognised that it needed to commit to overseas investment in order to grow and expand the company. It considered both the US and China, as they are both huge markets offering significant potential, but felt that the basic structure of the pharmaceutical industry in the UK was more developed.

“The UK was an attractive market for us for many reasons,” says Kohei Toda, Director of Kosei Pharmaceutical Co Ltd. “We found that the Government is open to the import of products from wholesalers within the European Union for sale to customers in the UK, and vice versa, which is crucial to us as Kosei Pharma UK would be sourcing prescription medicine from

Europe. UK pharmaceutical regulations are transparent and there is a well developed transportation and distribution network. Also, the UK offers easy access to Europe, and as such we hope will be a good starting point from which to expand our business further in the region, when the time is right.”

Comprehensive support

Kosei’s research showed that the South East of England would be a good base for its new venture. The region offers a well developed distribution network and the large local population would make it easier to find high quality staff. The company got in touch with UK Trade & Investment (UKTI) at the British Consulate General in Osaka, and the team there was able to liaise closely with the company to establish what support and guidance it needed.

The UKTI team in Osaka supplied Kosei with crucial information about the pharmaceutical market in the UK, and a range of practical issues, such as the UK labour market, business regulatory issues and immigration matters.

Kosei Pharma UK Ltd

Fast facts

Company: Kosei Pharmaceutical

Industry: Pharmaceuticals

Country: Japan

Website: www.koseiyakuhin.com/english

“The UKTI team was able to bring together a whole range of information that we needed to understand in order to plan our expansion to the UK,” says Kohei. “They introduced us to local service providers, such as recruitment agencies, banks and lawyers, to help smooth the way. They also provided support and information about schools and other matters that helped our personnel in relocating our families from Japan. We are very grateful for this comprehensive range of support. It would have taken much longer to set up the business here without UKTI’s invaluable help.”

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Exciting future

After some consideration, Kosei decided to base itself in Slough, which is close to London and Heathrow airport but with reasonable rental costs. The company's new UK office officially opens on 1 February 2011, and will be staffed by 13 local staff and two expats brought over from Japan. It will be responsible for strategic and global marketing of the company's pharmaceuticals in the UK.

Once the UK side of the business is up and running, the Slough office will also serve as Kosei's European Headquarters, and from there the company aims to grow its business further internationally.

"We are very excited about our future in the UK and Europe," says Kohei.

"We expect to see market growth here within two to three years, with a sales profit of up to 10 billion yen. It can be daunting setting up a new operation so far away from the market and business culture that you are familiar with.

But, UKTI was there to help us along the way, making sure that we knew what to expect and how to proceed.

We will continue to work with UKTI as we grow our business and would strongly recommend any Japanese company thinking of investing in the UK to get in touch with them."

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The UK is an attractive springboard for companies who want to grow their global business. The World Bank ranked the UK as No 1 in Europe for "Ease of Doing Business" against a range of indicators.

The UK is also No 1 in Europe at attracting inward investment, with more European HQs than any other country. UKTI's worldwide network offers help and support to a diverse range of businesses spanning many sectors.

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Deciding where to locate your international business is one of the biggest decisions you'll make and can be daunting. UK Trade & Investment helps businesses coming to the UK with every aspect of setting up their new operations.

As the UK Government's inward investment agency, it's our job to know the UK's strengths and where investment opportunities exist.

This means we can help your company to do all the research you need to make an informed decision, and then get up and running as quickly as possible.

UK Trade & Investment can help you to:

- Do your research
- Build key contacts
- Choose your location
- Set up your new office
- Grow your business internationally

For more information visit:
www.ukti.gov.uk



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