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GAIN Report

Global Agricultural Information Network

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Trade Lead System Success Story from Japan - Walnuts

Report Categories:

Export Accomplishments - Trade Leads

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Report Highlights:

The Trade Leads System (TLS) facilitated another successful business deal involving California walnuts. New Asia Trading Co., Ltd., a food importer located in Osaka, was linked up with Crisp Walnuts, Stratford, California through the system. Their first order was valued at approximately \$260,000 and their first shipment arrived in Japan at the end of December 2012.

General Information:

The Trade Leads System (TLS) facilitated another successful business deal involving California walnuts. New Asia Trading Co., Ltd., a food importer in Osaka, was linked up with Crisp Walnuts, Stratford, California through the system. Their first order was valued at approximately \$260,000 and their first shipment arrived in Japan at the end of December 2012.

The Importer and its request:

New Asia Trading Co., Ltd. is a food importer based in Osaka, Japan. The company was established in 1956, and its main business is the importation and distribution of food products, mainly natural sausage casing and processed fruit products. Among its various business partners around the world, New Asia Trading has developed a decade-old business with U.S. manufacturers of processed fruit products. It has, in particular, a solid distribution network among confectionary manufactures and wholesalers nationwide in Japan.

However, when the company was requested by its customers to provide walnuts, it did not have the contacts needed to meet its customer needs. This was where ATO Osaka was able to step in and use the Trade Leads System to help. New Asia Trading contacted ATO Osaka office for assistance at the end of January 2012.

The Trade Lead System:

The trade lead system is a computerized business match making system, linking all the 50 State Departments of Agriculture in the United States with Foreign Agricultural Service (FAS) Posts around the globe. The FAS posts place inquiries for U.S. agricultural products sent by importers into the system, to which State Agricultural Offices respond with a list of exporters. The TLS system was created by National Association of State Departments of Agriculture (NASDA) and is managed by New Media Solutions Inc.

The Process:

This walnut trade lead was placed in TLS in January 25, 2010. About 70 suppliers were listed in the system by the state agricultural offices. ATO Osaka sent this trade lead to all the suppliers on the list.

Crisp Walnuts was the first company to respond to this trade lead. ATO Osaka received the positive response by the company early March 2012, and forwarded the contact information to both New Asia Trading and Crisp Walnuts so that they could start discuss their business directly.

ATO Osaka received positive response from several other walnut suppliers as well. It also provided contact information to both parties so that they could get in contact.

Crisp Walnut was very active and responding to inquiries from New Asia Trading promptly. The supplier is also very cooperative with ATO Osaka and kept it informed of the progress of the communication with New Asia Trading. Though both parties started talking about their business, they had to wait until a new crop season in order to discuss terms in detail. As soon as the new crop season started in 2012, they started negotiation and

finalized their deal in December. The first shipment arrived at the end of December 2012 and the second is to follow at the end of January 2013.

Conclusion:

The first order made by New Asia Trading Co., Ltd. was two shipments worth about \$260,000 in total. If things go well, they are planning to expand their business with this supplier and increase their order quantity for the next crop season.