



UKTI helps Kosei gain a foothold in Europe

Fast facts

Company: Kosei Pharmaceutical

Industry: Pharmaceuticals

Country: Japan

www.koseiyakuhin.com/english



UK Trade & Investment (UKTI) has continued to support Japanese pharmaceutical wholesaler Kosei Pharmaceutical since helping it to establish UK operations in 2010. The subsidiary is now ready to go public and expand into Europe.

Established in 1952, Japanese pharmaceutical wholesaler Kosei Pharmaceutical sells its prescription medication to 6,000 pharmacies, 5,000 doctors, 2,000 dentists and 200 hospitals across Japan. Though relatively small, 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 Pharmaceutical recognised that it needed to commit to overseas investment in order to grow and expand the company. As large markets offering significant potential, the company considered both the US and China but felt that the UK had a more developed pharmaceuticals

industry and would also offer access to the broader European market.

“The UK was an attractive market for us for many reasons,” says Kohei Toda, Director of Kosei Pharmaceutical. “UK pharmaceutical regulations are transparent and there is a well developed transportation and distribution network. The UK Government is open to the import of products from wholesalers within the European Union for sale to customers in the UK, and vice versa. This was crucial to us as our UK subsidiary would source prescription medicine from Europe and become our European headquarters at the right time.”

Great distribution potential

Kosei Pharmaceutical got in touch with the UKTI team at the British-Consulate-General in Osaka, who established what support was needed, including crucial information about the pharmaceutical market in the UK, the UK labour market, business regulatory issues and immigration matters.

Thanks to support from UKTI, Kosei Pharma UK was registered as a UK subsidiary in Slough in 2010 and officially opened warehouse operations with five local staff in February 2011.

UKTI teams in both Osaka and the UK continued to provide support to Kosei Pharmaceutical with its UK expansion, including helping the company to secure licences from the Medicines & Healthcare Products Regulatory Agency (MHRA) and work visas for senior executives coming to the UK from Japan.

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Kohei Toda,
Director of Kosei Pharmaceutical

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“We appreciate UKTI’s ongoing support, from market research to helping us to decide on the right location to expand the business,” says Kohei. “MHRA licences are essential to growth in our industry and usually take six months to be granted. UKTI helped accelerate the process and our UK subsidiary was licensed within three months. They also helped us to understand the visa process which allowed us to prepare expat transfers in a timely manner. Without a doubt, UKTI helped us to grow much faster in the UK.”

Impressive growth

In April 2012, UKTI invited Kosei Pharmaceutical to a reception held at the British Embassy commemorating the visit to Japan of the British Prime Minister David Cameron. The company was impressed by the event, where it learned about UK Government policies and schemes, helping it to better understand the business potential of a UK subsidiary.

Meanwhile, Kosei Pharma UK continued to grow and in September 2012 it moved into new 12,000 sq ft premises, almost four times the size of its previous location. This helped the company to achieve approximately 300 per cent growth in sales for the financial year 2012 to 2013. Today, the UK subsidiary has 47 full time employees, an almost tenfold increase in just two years.

Thanks to the foundation that UKTI helped it to build, Kosei Pharma UK has become the focal point for strategic and global marketing of the company’s pharmaceutical products. It started exploring e-commerce, controlled drugs, unlicensed medicines and exporting into Europe. The company is now considering going public and looking at the potential of opening up a subsidiary on the continent.

“UKTI events are always beneficial and Prime Minister David Cameron’s speech was very encouraging,” says Kohei. “It both confirmed that the UK is the right country for us to set up our

global business and inspired us to continue our expansion into Europe. We are convinced that we could not have started the business as smoothly without UKTI, and their continued support has helped us to adapt and grow in the UK. UKTI’s network of contacts and market research skills are very impressive, and research carried out by the UKTI team plays a big role in our decision making. Having had success within the UK domestic market, we are excited for the UK to become our head office for future European operations. UKTI will remain our first point of contact as we grow our business and we would strongly recommend any Japanese company thinking of investing in the UK to get in touch with them first.”

The UK - Springboard into Europe

The UK is a fantastic place to do business, and an ideal springboard into the rest of Europe. It provides a unique gateway of international connections, is a recognised leader in the fields of creativity and innovation and is the sixth largest economy in the world.

The UK is also one of the easiest places to set up and run a business. With low tax, less regulation and a talented workforce, the UK is one of the easiest places to start a business and access the European Union’s 500 million customers.

The UK is home to four of the top 10 globally ranked universities, including Cambridge University. It is also the number one location for European headquarters: more overseas companies set up their European business headquarters in the UK than anywhere else.

Setting up your company in the UK

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.

UKTI was delighted to support Kosei Pharmaceutical in its investment in the UK.



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Contact the UKTI Osaka and Tokyo teams to see how we can help your business <https://www.gov.uk/government/world/organisations/uk-trade-investment-japan>

UK Trade & Investment is the Government Department that helps UK-based companies succeed in the global economy. We also help overseas companies bring their high-quality investment to the UK’s dynamic economy. We provide companies with the tools they require to be competitive on the world stage.