

HISTEP

Logistics and Shipping Webinar No. 3

Reiko T. Rogers, Tokushige LLC

Wednesday, May 8, 2024



BUSINESS DEVELOPMENT & SUPPORT DIVISION

STATE OF HAWAII • DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM



Increase Exports

Hawai'i State Trade Expansion Program (HiSTEP)

- Funded in part through a Grant with the U.S. Small Business Administration (SBA)
- Comprehensive export development program that enables Hawai'i companies to sell their Made in Hawai'i products and service worldwide
- Three integrated components:
 - 1) Export Readiness Program (HiSTEP – ERP)
 - 2) Market Entry and Expansion Activities (HiSTEP - MEEA), formerly Hawai'i Pavilions
 - 3) Company Assistance (HiSTEP – CA)



U.S. Small Business Administration

HiSTEP Partners



HiSTEP Program Components

1 HiSTEP – Export Readiness Program

- A series of training sessions and one-on-one business advising services.

2 HiSTEP – Market Entry and Expansion Activities

- Activities include participation in Hawai'i Pavilions at major international trade and consumer shows; and opportunity to conduct sales and promotion on various e-commerce platforms.

3 HiSTEP – Company Assistance

- Direct financial assistance for export market development costs.

HiSTEP Major Shows

- Fancy Food Show, January 21-23, 2024; Las Vegas, NV (T)
- Gulfood, February 19-23, 2024; Dubai, UAE (T)
- FOODEX Japan, March 5-8, 2024; Tokyo, Japan (T)
- Natural Products Expo West, March 12-16, 2024; Anaheim, CA (T)
- Hankyu Hawai'i Fair, July 3-8 and 10-15, 2024; Osaka, Japan (C)
- Fine Food Australia, September 2-5, 2024; Melbourne, Australia (T)
- Tokyo International Gift Show (TIGS), September 4-6, 2024; Tokyo, Japan (T)



HiSTEP Company Assistance (CA)

Assists individual Hawaii companies with export market development activities such as participation in trade shows and missions.

- 1) A Request for Proposal (RFP) is issued in early November for companies to apply for funds. Application deadline is in early January. Awards will be made the first week of February.
- 2) Two categories: New to Export (NTE) and Market Expansion (ME)
 - 1) NTE companies can request a maximum of \$5,000.
 - 2) ME companies can request a maximum of \$15,000. ME companies must also have at least \$200,000 in revenue to apply.
- 3) Funds awarded are paid on a reimbursement basis.

What are my next steps?



The screenshot shows the Business Development and Support Division website. The header includes the state seal, the division name, a search bar, and social media icons. The navigation menu has options for Home, About, Helping Business, Exporting, International Student Attraction, International Relations, and Events. The main content area is titled 'HAWAII STATE TRADE EXPANSION PROGRAM (HiSTEP)' and features a globe logo. Text describes the program's funding and goals. A list of three integrated components is provided: Export Readiness Program (HiSTEP-ERP), Market Entry and Expansion Activities (MEEA), and Company Assistance (HiSTEP-CA). A note states that the 2024 HiSTEP Registration is now open and provides a link to the registration form. A sidebar on the right lists 'What is HiSTEP?' with sub-links for Benefits, Eligibility, How to Prepare, and Registration, followed by a list of HiSTEP Programs including Export Readiness Program (HiSTEP-ERP), Market Entry and Expansion Activities (MEEA), and various international trade shows.

Visit the HiSTEP website:

<https://invest.Hawaii.gov/exporting/histep/>

and complete the online registration.

HiSTEP Registration Process

HiSTEP-ERP
(Attend Training Sessions)

and/or

Register



<https://invest.Hawaii.gov/exporting/histep/>



**Market Entry and
Expansion Activities
(Separate Applications
by Activity)**

**HiSTEP-CA
(Respond to RFP)**

Reiko T. Rogers, TOKUSHIGE LLC

- Experience in importing fresh flowers from Holland to Japan
- Currently a presenter for Japanese FM and internet radio station, Studio Rim Hawai'i
- Media relations, product marketing and sales consulting for Hawai'i companies
- Since 2016, the local coordinator for the HANKYU HAWAI'I FAIR, the largest Hawai'i-themed event in Japan
- Connect on social media!
 - <https://www.facebook.com/reiko.rogers/>
 - <https://www.instagram.com/reikotrogers/>
 - <https://twitter.com/PELEREIKO>

Defining Roles and Responsibilities

- The Shipper is the local vendor in Hawai'i and the Consignee is the importer based in Japan.
- The Consignee assists the Shipper prepare the permission certificate to be submitted to the Japanese government to ship your products to Japan. You must work with your Japan-based importer partner, adhering to the following laws listed below.
- The importing of products into Japan is managed by [NACCS, Nippon Automated Cargo and Port Consolidated System](#)
 - NACCS, a system dedicated to electronic processing of air/sea cargo, will enable faster and more efficient customs clearance and movement of freight.

Requirements for Japanese Importers

The importer/consignee must apply in advance for permission to import into Japan, and they must comply with the following laws (https://www.customs.go.jp/english/tariff/2017_5/data/import.htm):

- Food Sanitation Law that covers food and beverage, tableware, cookware, food wrapping, food containers (mug cup and glass), infant toys, etc.
- Plant Protection Act that covers seedlings, bulbs, seeds, vegetables, fresh flowers, fruits, woods, grains, beans, etc.
- Pharmaceutical Affairs Law (skincare items, cosmetic items).
- Fabric Material Inspection (color fastness/grades 1 – 5 under JIS (Japanese Industrial Standard) <https://en.kaken.or.jp>.
- The application requires a swatch of fabric for testing.
- Color fastness is a term, used in the dyeing of textile materials, that characterizes a material's color resistance to fading or running.

Connecting with Japanese Importers

- Your sales revenue, brand awareness, and local reputation are keys to impress importers.
- Market Events
 - Merrie Monarch Festival Craft fair in Hilo
 - Made in Maui County Festival (11/1 – 2 @ Maui Arts & Cultural Center)
 - Made in Hawai'i Festival (8/23 – 25 @ Hawaii Convention Center)
 - Ho'omau Hawai'i Market (2 times a year)
 - Malama Hawai'i Makers Market (2-3 times a month at various venues)
 - Kaka'ako Night Market (3-4 times a year)
- Boutique Shops, Pop-up Stores or your Own Store
 - House of Mana Up: Royal Hawaiian Center 2F, DFS Galleria Waikiki and at HNL airport
 - Local brand pop-up stores: Aloha Collection, David Shepard, Lex Breezey, Kahala
 - Popular boutique shops: Ten Tomorrow, at South Shore Market, your own stores in Ala Moana Center, Royal Hawaiian Center, International Market Place, or Kahala Mall

¹³ HiSTEP events as described above

Introducing Akira Sasaki, Mode-aki

Today's guest speaker:

Akira Sasaki

President, Mode-aki, Tokyo

- Importer and distributor of apparel and accessories
- Assisting Hankyu Hawaii Fair since 2016
- Experienced in importing from U.S.A, France, England, Italy, and Asian countries

Importer Responsibility: Price Tag

- Price tags and information in Japanese must be affixed on each product according to government regulations.
- If it is difficult for you to produce and affix the tags, we will help you at additional cost.
- If you do not know the retail prices for Japanese retail events, we are happy to advise you.

Importer Responsibility: Price Tag for Apparel, front of the tag



1. Your brand name
 2. Material
 3. Country of origin
 4. Including tax and Price excluding tax (Japanese tax is 10%)
 5. Laundry symbols
 6. Importer name and phone number
- We will be your sales representatives in Japan. In case of any product issues, the first point of contact will be our company.

Importer Responsibility: Price Tag for Apparel, back of the tag

お取り扱い上の注意

雨や汗など、濡れた状態での摩擦により色落ちする恐れがありますので
ご使用時にご注意ください。

洗濯により、
多少色落ちする恐れがありますので、
他のものと一緒に洗わないでください。

If there are any potential issues related to washing your product, an attention tag must be attached.

For example:

- “Please be careful when using in wet conditions such as from rain or perspiration, as there is a risk of color transfer”
- “Please avoid washing with other items since color transfer or staining may occur during washing”

Selling in Japan for Extended Period, Price Tag for Apparel

Mode-Aki
(your Brand name)

素材 ; 綿100%
(material ; cotton 100%)
アメリカ製 ハワイ
(Made in USA Hawaii)

(laundry symbol)



モードアキ株式会社
TEL:042-512-8882
(importer name and phone num)

MODEAKI

1. Your brand name
2. Material
3. Country of origin
4. Laundry symbols
5. **Importer company name and phone number**

Mode-aki can be your sales representatives in Japan. In case of any product issues, the first point of contact will be our company.

*Sewing is mandatory for clothing.

Shipping Products to and from Japan

1. Please ship your products from Hawai'i to the **Mode-aki warehouse, 2-9-26 Shibasaki-cho, Tachikawa-shi, Tokyo 190-0023 JAPAN.**
 - **Please send your products one month before the event for our final check.**
2. Shipping cost from our Mode-aki warehouse to event venue is about JPY 1,500 per box.
3. Shipping cost for unsold items, from event venue to our Mode-aki warehouse is about JPY 1,500 per box.
4. Shipping of unsold items from our Mode-aki warehouse to your address will take approximately two weeks
5. It may be possible to sell your unsold inventory on consignment, at other events in Japan.
 - Other conditions may apply, so let's discuss

About Overseas Remittance - Example

◆Transfer destination information

| | |
|---------|--|
| Name | |
| Address | |
| Phone | |

◆Bank information

| | |
|-------------------|--|
| Bank Account Name | |
| Bank Name | |
| Bank Address | |
| Country | |
| Account Number | |
| Routing Number | |
| ABA Number | |
| Swift Code | |
| IBAN Code | |

- In the case of the Hankyu Hawai'i Fair, we will inform you the total amount of gross sales after the Fair concludes.
 - Hankyu will remit to our bank account in August.
- We will wire transfer 70% of total gross sales to your bank account in Hawai'i by the end of August, 2024.
- We cannot transfer the Japanese consumption tax of 10%. We will only transfer 70% of the sales.
- Please provide your bank transfer information by August 10th.
- If you have a bank account in Japan, that account is also acceptable. However, processing an invoice will be required.

Schedule: Example of Hankyu Hawai'i Fair

- Early April: Submission of product sheet for MD photography
- Mid-April: Photography in Hawai'i
- Late April: Confirmation of Japanese sales staff availability
- Early May: Coordination of desired fixtures and product list
 - Regarding desired fixtures, negotiations will be conducted with Hankyu upon receiving photos
- Mid-May: Sales staff information sheet (Information such as names will be provided for registration of sales staff with Hankyu)
- Early July: Hankyu Hawai'i Fair

Questions and Answers

Contact Information

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MAHALO!