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GAIN Report

Global Agricultural Information Network

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Trade Lead Success Story from Kobe 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. The importer, K. Kobayashi & Co., Ltd., Kobe, was linked up with Crisp Walnuts, Stratford, California, through the system. Their first order for January through March 2013 is valued at approximately \$225,000.

General Information:

The Trade Leads System (TLS) facilitated another successful business deal involving California walnuts. The importer, K. Kobayashi & Co., Ltd., Kobe, was linked up with Crisp Walnuts, Stratford, California, through the system. Their first order for January through March 2013 is valued at approximately \$225,000.

The Importer and its request:

K. Kobayashi & Co., Ltd. is a food importer based in Kobe, Japan. The company was established in 1883, and its main business is the import and distribution of food products, mainly spice and nuts, to manufacturers and wholesalers in Japan <http://www.k-kobayashi.com/english/>.

K. Kobayashi made a business deal with a supplier of Walnuts earlier in March, 2012 through an introduction made through the Trade Leads System. While the importer was satisfied with the deal, the company was open to new introduction to additional suppliers as they wanted to diversify their suppliers in order to ensure a stable supply of walnuts.

The Trade Lead System (TLS):

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 originally placed in the system in February 2010. About 60 suppliers were listed in the system by the state agricultural offices. Although ATO Osaka sent the trade lead to all the suppliers on the list, there was no good response from the suppliers. ATO Osaka re-sent the trade lead to encourage response in July 2010. As a result, several companies contacted to ATO Osaka through the system. ATO Osaka made introduction of K. Kobayashi to these suppliers and K. Kobayashi reached a business deal with one of them in March 2012. (For more detail, please refer to a report "Trade Lead Success Story from Japan – Walnuts": <http://gain.fas.usda.gov/Recent%20GAIN%20Publications/Trade%20Lead%20System%20Success%20Story%20from%20Japan%20-%20Walnut%20Osaka%20ATO%20Japan%204-23-2012.pdf>)

Meanwhile K. Kobayashi was open to additional introduction to walnut suppliers as they wanted to diversify their suppliers for stable supply of the product.

Crispy Walnuts contacted K. Kobayashi through TLS on February 2011. K. Kobayashi started communication with Crisp Walnuts as well and kept communicating for negotiation.

As the crop season had ended, they had to wait until the next crop season in order to talk about terms in detail. As soon as the new crop season started, they started negotiation again and finalized the deal for the shipment in December through March 2013 valued at \$225,000.

Conclusion:

The order made by K. Kobayashi & Co., Ltd. for the shipments in January through March 2013 is worth about \$225,000. Currently, K. Kobayashi and Crisp Walnuts are discussing further shipment for the month of April 2013.