

Promotional campaign for the **SPANISH WHITE PORK** IN JAPAN

Request for Proposal

PROMOTIONAL ACTIVITY
2020-2021

(The information contained in this document is PRIVATE & CONFIDENTIAL and is not for circulation or other use beyond preparation of a proposal)

Prepared by:

ICEX España Exportación e Inversiones E. P. E. – M. P.
Economic and Commercial Office of Spain in Tokyo,
Embassy of Spain
3FL, 1 - 3 - 29 Roppongi, Minato-Ku, Tokio 106 – 0032
Tel.: (81 - 3) 5575-0431
Email: tokio@comercio.mineco.es

Date: 20 May 2020

1. Introduction

ICEX, Spain Trade and Investment, E.P.E., M.P. (hereinafter, ICEX) represented by the Economic and Commercial Office of the Spanish Embassy in Tokyo (hereinafter, Commercial Office) invites the agencies to submit a proposal for the promotional campaign of the Spanish white pork meat and products in Japan.

2. Information about the sector and the market

Spain is currently the fourth largest pork producer and the third largest exporter worldwide, exporting to over 130 countries.

Japan has a population of 126 million inhabitants with a high purchasing power. It is the third largest economy in the world in terms of GDP, and it has a sophisticated distribution network.

Its consumers are extremely discerning and place great emphasis on the quality, food safety, health properties and presentation of the products. Agri-food products are subject to very stringent regulations.

According to the available data, Japan is the world's second largest import market for pork (only behind China). It is also a key destination for Spain, as it is the third largest export destination market worldwide (behind France and China).

Although meat imports account for a substantial proportion, packaged meat products are also very important, representing an excellent opportunity to increase the exports of Spanish products with greater added value.

According to Spanish statistics, in 2019, the Spanish pork sector exported a total of 137.767 tons to Japan for a value of 510 million euros. This makes Spain the third largest supplier of pork meat to Japan, behind the US and Canada and followed by Denmark, Mexico and Chile (the latter two countries have free trade agreements with Japan). Between 2010 and 2019, Spanish exports to Japan increased in volume by 580%, the fastest growth than any other exporting country.

The export of meat and meat products to Japan requires a bilateral protocol between Japan and the exporting country. Spain currently has authorization for exports from 386 pork meat and pork product establishments.

The EU-Japan Economic Partnership Agreement that entered into force in February 1st, is gradually reducing the tariffs affecting the pork sector, thus European products are becoming more competitive in the Japanese market.

All of the above shows the high relevance of the Japanese market for the Spanish pork sector, not only due to the enormous size of the market, but also due to its high purchasing power capacity and to the increasing consolidation of the Spanish pork sector in this market.

However, unlike its American and Canadian competitors, Spanish white pork meat does not have an established image among Japanese consumers. This is because most sales are directed toward the industrial sector or the Horeca channel, where, although Spanish pork enjoys a positive image among professionals, it is not generally mentioned that the product is Spanish. Therefore, the aim of the sector plan is to reinforce the trust in the quality of Spanish pork meat and pork products among Japanese professionals, improve the knowledge of the Spanish pork sector, and increase its visibility among the general public.

Evidently, these goals cannot be achieved in one single year. Spanish companies are firmly committed to the Japanese market and the budget for the campaign is expected to rise in future years in order to ensure continuity for the actions under way and to incorporate new ones.

3. Objectives of the campaign

The main goal of the campaign is to promote white pork meat and pork products in Japan.

Notwithstanding that Spain is the third largest supplier of these products to the Japanese market, there is a huge gap between Spanish and American and Canadian competitors (their exports consist mainly of fresh product) and most important, a fierce competition with Denmark which traditionally has been the third largest supplier in Japan and has only been overtaken by Spain since 2018.

Spanish and Danish exports compete in the sector of frozen pork. According to Japanese statistics, while Danish exports have remained stable during the past four years, Spanish ones have registered a remarkable growth of 66% in the same period, reaching 122.570 tones and 64.770 million yens (530 million €) in 2019. This has allowed Spain to become the largest exporter of frozen pork to Japan. Denmark with 110.000 tones is close behind, followed by Mexico (91.000 tons), United States (45.000 tones), Canada (38.000 tons) and Netherland (34.000 tons).

The main objective of the campaign is to promote white pork meat and pork products in Japan by raising their awareness and knowledge among professionals and the Japanese public, in order to contribute to the consolidation of the export growth that have been taken place during the last decade.

4. Target groups and messages for the campaign

This campaign seeks to impact the following stakeholders:

- The end consumer, with actions that increase their knowledge of white pork meat and pork products.
- Professionals in the sector: Importers and distributors of imported products, and the Horeca (hotel, restaurants) and retail channel.
- Opinion leaders: printed press, bloggers and television.

The actions targeting these last two groups are designed not only to raise the profile of the Spanish Pork brand, but also to make the professionals in the meat and Food Service sector aware of Spanish companies' firm commitment to the Japanese market, and to ensure that their trust in Spanish products is supported by marketing campaigns.

Target messages

The idea is to convey the following messages about Spanish white pork meat to the professionals and end consumers, as these aspects are the most highly valued by Japanese consumers:

- Taste
- A healthy product (free from hormones, which distinguishes Spanish pork from the Canadian and American product)
- Food safety from the farm to the table
- Reliability/ trust
- Competitive price
- Nutrition/Mediterranean diet
- Culinary versatility
- Tradition
- Other attributes the agencies consider key for the Japanese consumer.

5. Image of the campaign and slogan

The campaign will be developed under the umbrella of the “Spanish Pork” brand, whose brand and logo are registered trademarks, with the addition of their equivalent in Japanese.



In addition, the slogan created to approach the Japanese market “*美食の国が育んだ、スペインポーク*” will continue to be used in the promotional activities for the Spanish white pork during successive campaigns.

6. Actions to be developed in the promotional campaign

The promotional activity of the Spanish pork in Japan was initiated in July 2019. During the first year a number of activities took place, such as the official Kickoff with media coverage and a chef seminar, the creation of a Website in Japanese and an Instagram account, promotion in restaurant chains, reverse mission to Spain by sector professionals and press, advertisements and press releases, etc.

The second year of the campaign will run for 12 months from the time the current contract is signed with the agency selected. The activities foreseen for this second year are the following.

6.1. Increasing visibility of the Spanish pork for the general public.

One of the main goals that must be accomplished in the current campaign is increasing visibility of the Spanish white pork. The product, mostly frozen, has a great presence in the Japanese market as the mentioned import figures suggest, but most of the consumers remain ignorant of the origin of the product.

The main reason for that is that the majority of the Spanish sales are directed to the industrial sector, which ultimately process the product to make it suitable for its consumption in some well-known Japanese restaurant chains or are packaged to be sold in the supermarkets and convenience stores (7 eleven, Lawson, Family Mart, etc.) both, as final product (bacon, sausages) or as part of bento menus (ready to eat meals). Unlike the Canadian and American products, today there is no information for the consumer about the Spanish origin of the product



It is therefore essential to facilitate the identification with labels with the Spanish Pork logo to the pork meat, pork products, and bento meals containing Spanish pork.

This action will take place nationwide and the budget assigned to this action must include the costs of all the materials created for the campaign, the expenses deriving from the recruitment of the staff required to carry out the promotional action and the costs to be incurred to reach a commitment of labelling by the Japanese processing companies.

How to ultimately motivate the consumer's purchasing decision in these points of sales will be one key element to be assessed with regards the promotional activities in the current campaign.

6.2. Updating the Website in Japanese and presence on Japanese social networks

In 2019 the Interporc Website in Japanese was created (<https://spanishpork.jp>) with the aim to provide Japanese professionals and consumers with information on the offer, the quality and the food safety of Spanish pork meat and packaged pork products, and the versatility of their use.

The website itself and its contents belong to ICEX, but the updated of information will be managed by the agency as a tool to disseminate all the events in the promotional campaign.

An Instagram account (@spanishporkjapan) was also created during the first year of the campaign and some contents were posted. It is necessary that the agency will continue to post contents on a regular basis.

The campaign must also consider the presence of the SPANISH PORK brand on Japanese social networks (Facebook, Twitter, etc.).

The utilization of the Website and the social networks through creative campaigns to take advantage of their potential to reach professionals and consumers alike is considered to be essential in this second year of the campaign in which events of sales promotion in physical places are likely to be limited.

6.3. Public relations

Organization of activities to ensure the maximum repercussion of the actions carried out during the promotional campaign with all the communications media and opinion leaders.

6.4. Advertising:

Advertising inserts in the most suitable channels: TV, press, radio, advertising on public transport, etc. This issue is especially linked with the activity 6.1 as the identification of the origin through the mentioned logo in the different point of sales could be a necessary previous step to the advertising activities addressed to the Japanese consumers

Complementary to the activities leading to the identification of the Spanish origin, it is necessary to provide considerable support to the sales of Spanish pork in the Japanese market. It is essential to highlight the quality of the product and its characteristics through a campaign involving the final consumer at the point of sale, using various means of publicity, public relations actions and promotional support.

6.5. Other activities

In addition to the activities indicated above, the agency should submit any proposal that it considers could contribute to the achievement of the objective of the campaign. The agency should specify the means, the target group to which the action is addressed and its budget.

In this free activities' framework, the creativeness and originality of the actions proposed will be especially valued and will be assessed together with the potential effectiveness of these actions.

6.6. Promotion of Spanish pork meat in Japanese, restaurants, shops

During this second year of the campaign and due to the circumstances related to COVID19, promotion activities in restaurants, shops, rooms (seminars) or any other activity which implies gathering a significant number of people are expected to be very limited.

However, should the current circumstances change, allowing the promotion of the Spanish pork in Japan through these activities, there could be a reallocation of the yearly budget to carry them out, after agreed in writing by the parties.

7. Budget for the promotional campaign

The maximum budget available for the campaign, and which will be used to prepare the proposals for the actions to be developed, is 34,000,000 yens, approximately 300,000 euros; this includes the agency fees (including expenses and applicable taxes), which cannot exceed 7,000,000 yens.

It should be noted that the invoices submitted to the Commercial Office are exempt from the 10% tax in Japan that is applicable to this type of actions.

Financial proposal model will be attached to this tender and agencies must herein specify budgets for each area and indicate all amounts to be invoiced to the agency by third parties (ANNEX 1). A breakdown of in-house and outsourced expenses along with management fees must be included.

The budget submitted by the agency must include all the expenses associated with the campaign proposal, including both the activities and the materials or people required to carry them out.

Proposals exceeding the maximum disposable budget of 34,000,000 yens will not be considered. If it is necessary to organize any activity other than those included in the contract, the parties must agree on a new contract for this activity. The maximum disposable budget for this additional new contract will be a maximum of 20% of the initial budget. In the event of an activity is not eventually carried out, such budget (including fees) will be deducted from the total budget.

A payment schedule will be agreed at the time of signature of the contract. However, the payments will be made after the completion of each of the activities described, on the delivery of partial reports with graphic support. A final report will also be required, containing material and photographs of all the activities performed.

All the invoices for the total amount of the expenditures must be billed to:

ICEX España Exportación e Inversiones. Q2891001F
Economic and Commercial Office of Spain in Tokyo
Embassy of Spain
3FL, 1-3-29 Roppongi, Minato-Ku, Tokio 106-0032

8. Place where the service is provided

The service will be provided in the places where the campaign actions take place and in any other places considered necessary.

9. Agency requirements

- Candidates must have a minimum of two years' experience in organizing promotional campaigns for food products. This circumstance must be accredited by means of a detailed dossier.
- The agency must have other employees in addition to the team working on this project.
- Its turnover, in the best of the three previous years, must be equal to or over 34,000,000 yens. Information on the annual accounts must be included in the offer to accredit this fact.
- The successful candidate must be able to implement and organize the activities mentioned in an effective and efficient way using techniques to maximize their impact.

- The successful candidate must guarantee that none of their current or future clients will incur in any conflict of interest with this campaign while it remains in effect.
- The agency's communications with the Commercial Office must be conducted in English and Japanese.
- TEAM: The team assigned to the project must be listed in the proposal, along with an indication of each person's role. It is considered that the basic team must comprise at least two professionals and have a proven capacity to speak and write English and Japanese.
- Project manager: Must have at least five years' work experience and experience in promoting agri-food products in Japan. He or she must be able to write and speak at least English (fluent) and Japanese (native).
- Manager (junior): 100% dedication to the project with at least two years' experience in promoting consumer products. He or she must be able to write and speak at least English and Japanese (native).
- All members of the team must be available to hold meetings at least twice a month in the Economic and Commercial Office, Embassy of Spain in Tokyo.
- Any change in the key personnel assigned to the start of this campaign could affect its development and hence the possible renewal of the contract in the following years.

10. Content of the proposal

The action proposals for the campaign must include:

1. Presentation of the agency, with particular mention of the technical team participating in the campaign and the projects associated with the activity that is the object of the contract (including amounts, dates and beneficiaries) that have been carried out in the last three years and information on the annual accounts to accredit economic solvency.
2. Description of all the promotional activities for the campaign in line with the targets, strategy and instruments given. The agency must also offer solutions to provide promotional and informative material for activities in seminars and attendance at trade fairs.
3. Each activity presented must be accompanied by the corresponding breakdown of costs and an action timeline with sufficient level of detail for each action to be developed. Financial proposal model attached (ANNEX 1).

The amounts expressed in the proposal must be in yens

4. Selection criteria

The bids will be assessed, and the contract awarded based on a maximum 10 points score, breakdown as follows:

1. Assessment of the plan of activities and the proposed strategy: alignment with the set targets. **5 points**

- Overall assessment (innovation, alignment with the campaign objectives, etc.) of the activities in the promotional campaign within the maximum budget assigned. 2.5 points.
- Overall assessment of the activities related to public relations, advertising, Website and social media (innovation, creativity, alignment with the campaign objectives, etc.). 1 point
- Overall assessment of the promotional activities in points of sale, especially with regards increasing visibility of the Spanish origin among Japanese consumers. 1 point.
- Overall assessment of “other” promotional activities related to paragraph 6.5 of the briefing. 0.5 points (innovation, alignment with the campaign objectives, etc.)

2. Cost of the proposed activities (economic proposal). **3.5 points.**

This section considers the mathematical ratio between each agency's fee expenses and the total budget, assigning the maximum score to the one with the lowest rate and proportional scores to the rest”

The agency must break down their costs into fees and internal and external costs, and ICEX reserves the right to assess whether any of the amounts not included in the fees should be also considered as such.

3. Technical team assigned to the campaign. **1.5 points**

- knowledge of Spanish (level DELE B1). 0.5 points (0.3 points for the Project Manager and 0.2 points for the Manager)

- Years of experience above the minimum ones required of the Project Manager in agri-food projects like those of the objected of this competition. 0.5 points (0.1 point for each additional year up to a maximum of five).

- Years of experience above the minimum ones required of the Manager in agri-food projects like those of the objected of this competition. 0.5 points (0.1 point for each additional year up to a maximum of five).

5. Campaign management:

The interlocutors with the agency are the Economic and Commercial Office, Embassy of Spain in Tokyo on behalf of ICEX and Interporc (Spanish Inter-professional Agri-Food Organization for White Pork), who will be responsible for coordinating the promotional activities. The supervision will be carried out by the Economic and Commercial Office to whom the invoices should be sent.

The successful company must submit partial reports on the activities in the campaign every two months (from the start of the campaign). These reports must be submitted in English (or Spanish if the agency preferred so). They must also submit a final report on the results.

Special care must be taken over the budget management, following the guidelines established by ICEX. No advance payments will be accrued for the activities in the promotional campaign.

6. Contract

The Economic and Commercial counselor at the Economic and Commercial Office, Embassy of Spain in Tokyo, on behalf and in representation of ICEX España Exportación e Inversiones, E.P.E., M.P. (ICEX), will sign a contract for the campaign with the successful agency, which will contain details of aspects relating to validity and payment conditions, among others.

The contract may be extended annually up to a maximum of four additional years (2021, 2022, 2023 and 2024 campaigns), after agreement between the parties and provided that ICEX decides to continue the promotional campaign in Japan.

7. Schedule of submissions

- The agency must send the proposal in electronic format to: tokio@comercio.mineco.es and alimentos@icex.es before 17 June 2020 at 15:00 p.m. This Email must include a summary of what is indicated in section 6 of the present briefing (actions to be developed in the promotional campaign) and an itemized and detailed budget for all the proposed activities (ANNEX 1).
- The proposals will be reviewed to determine whether they comply with the minimum requirements for technical and economic solvency. All competing agencies submitting a proposal should be aware that ICEX Legal Services will review the documentation submitted by each agency in order to ensure that they comply with the requirements of this campaign briefing.
- The agencies that have passed the minimum requirements specified in this briefing will be presented, if circumstances allow it, at the premises of the

Economic and Commercial Office, Embassy of Spain in Tokyo (1-3-29, Roppongi, Minato-ku, Tokio) on a date to be notified sufficiently in advance.

- The submission of the offer and participation at this briefing implies the express acceptance of all the points contained in this briefing.
- The submission of the offer will not generate any fees or reimbursement of any type of expenses. Please note that any expenditure incurred by candidate agencies in the preparation of the proposals presentation and quotes will be at the expense of those companies involved.

8. Administration and Legal Issues

The copyright for all work created by the agency and all the information gathered by it on behalf of the client relating to this agreement letter will be assigned to the client at no extra cost upon payment of all relevant consultancy fees and expenditure herein agreed. This includes the right to use, reproduce, modify, distribute publicly and via the internet. Said rights will be on a global basis and throughout the maximum period copyright protection, for all the file types, in any format or language and with all the effects determined by the law.

- All materials produced are the property of the client, including any intellectual property, printed materials, photography, website, videos and posts.
- The agency will ensure all vector files of materials produced, in any medium or format, are delivered to the client. This includes all original and edited photography, video and social media files, which the agency guarantees have been produced for the client and are not owned by third parties.
- The agency will send in real time photos and videos so that they may be used in the global accounts of the client.
- The event catalogue will follow the design specified by the client, both internally and externally, and will be produced in digital format, in line with ICEX's sustainability principles, notwithstanding that a simplified version could be printed should the client consider it necessary.

The agency shall at its own expense defend any claim or threatened claim brought by third parties against ICEX, insofar as the mentioned claim is based on the allegation that the work carried out by the agency within the framework of this contract infringes intellectual or industrial property rights of third parties or constitutes and undue appropriation of trade or industrial secrets belonging to third parties.

Applicable legislation

Works shall be governed by the terms of the Agreement entered into between the awardee Contractor Company and by the tender specifications, which shall be incorporated to the same, and in default of the above, the Spanish legislation shall be applicable.

Jurisdiction

The parties hereby renounce any other jurisdiction they could be entitled to and undertake to subject themselves exclusively to the Courts and Tribunals of the city of Madrid in order to resolve any controversy that could arise through the interpretation or execution of the Agreement.

16. Information

- For more information or clarification about this competition, please contact:

Chieko Konagaya/ Motoko Kamei

E-mail: tokio@comercio.mineco.es

ECONOMIC AND COMMERCIAL OFFICE OF THE EMBASSY OF SPAIN IN TOKYO

Copy to

ICEX Spain Trade and Investment

Department of Foods and Wines

Carlos Villar García

E-mail alimentos@icex.es

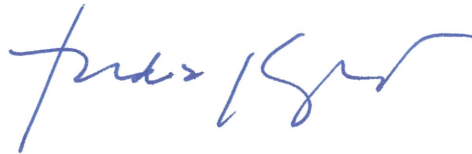
European Regional Development Fund (ERDF)

The successful tenderer will be obliged to comply with the information and advertising obligations set out in Annex XII, section 2.2. of Regulation (EU) 1303/2013 of the European Parliament and of the Council of 17 December 2013, and, in particular, the following:

- a. In the working documents, as well as in the reports and in any type of medium which is used in the actions necessary for the subject of the contract, the EU emblem will appear in an obvious and noticeable way, in making explicit reference to the European Union and the European Regional Development Fund.
- b. In any public dissemination or reference to the actions provided for in the contract, whatever the means chosen (brochures, posters, etc.), the following elements must be included in a noticeable manner: emblem of the Union European in accordance with established graphic standards, as well as the reference to the European Union and the European Regional Development Fund, including the motto "A way of making Europe".

Tokyo, 20 May 2020

ICEX Board of Directors,
By Delegation (Resolution of 30 October 2019 BOE [Official State Gazette] of 20
November 2019),



Fernando Hernández Jiménez-Casquet
Economic and Commercial Counselor in Tokyo