

Hotel Chocolat seeks to reverse botched Japanese expansion with new deal

Hotel Chocolat today sought to reverse the fortunes of its botched [Japanese](#) expansion after signing a strategic partnership with [Tokyo](#)-based Eat Creator Corporation.

Under the deal, Eat Creator will manage localised [chocolate](#)-making facilities, as well as operate 21 branded stores. Hotel Chocolat will hold a 20% stake in the venture and collect brand royalty revenues.

The retailer plans to incorporate local ingredients into its recipes and add a “Japanese design aesthetic” to the packaging of products sold in the territory.

Last year, the Hertfordshire-based chocolate maker [wrote off almost £30 million after its Japanese business went through insolvency](#). The firm blamed the collapse on a combination of supply chain woes and pandemic restrictions in Japan.

Hotel Chocolat boss Angus Thirlwell told the Standard: “Sometimes you have to make a splash in the market even if it’s not the best splash in the world.”

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“To localise as much of the supply chain as possible [was] something we knew was a goal but we didn’t really know how to do it, but the new partnership brings in new expertise.

“If we can make this work in one major territory then it would be a blueprint for other territories around the world.”

Satoshi Nagasuna, Eat Creator Corporation CEO, commented: “Like many Japanese people, I have watched the positive impact that the Hotel Chocolat brand has made in our market over the last four challenging years.

“When the opportunity presented itself to become directly involved with the business, we realised that our skills would be a good match with what was needed to take Hotel Chocolat Japan to the next level. We are excited to get started.”

Hotel Chocolat shares climbed 2.4% to 162p.

Thirlwell told the Standard the luxury chocolate-maker had seen a surge in footfall in the run-up to Christmas as shoppers rushed to get their hands on sweet treats as gifts for friends and family.

“We were trading strongly right to the last Christmas eve and stores were rammed, and we did particularly well with our drinking chocolate,” he said.