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## VIEW from the TOP

As Tokyo rebrands, investors eye prime property despite social trends





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**COVER IMAGE:**  
(credit PHOTOLIFE.14)  
Mori Building city  
model of Tokyo

**THIS PAGE  
PHOTO:**  
(credit *Keizaikai*)  
A Kabuki show in  
Las Vegas drew  
100,000 spectators  
—p. 18

## WILLIAM SPOSATO



**Hometown:** Armonk, New York  
(I was there before IBM)

**Languages:** Passable English,  
horrible Japanese

**Most memorable interviewee:**  
Economist Milton Friedman  
(he reversed the charges on the call)

**Years in journalism in Japan:**  
31 years in journalism,  
17 of them in Japan

**Favorite author:**  
Joseph Heller (*Catch 22*)

**Social media handle:**  
@williamsposato

**Currently listening to:** *Paris 1919*,  
an album on the WWI peace treaty  
negotiations

**Thoughts on print journalism:**  
Despite the rise of radio, then  
television, then images, online video  
clips, graphics, etc., most information  
in the Internet age is still conveyed  
by the written word.

## DR. NANCY SNOW



**Hometown:** The Deep South, USA

**Hobbies:** Ping pong, singing

**Favorite place in Japan:**  
Hotel Okura (before the demolition)

**Most memorable interviewee:**  
J. William Fulbright

**Years in journalism:**  
25+ (teaching and writing)

**Professional mentors:**  
George Gerbner, Herbert Schiller

**Favorite authors:** Ellen Gilchrist and  
Louise Fitzhugh (among many others)

**Social media handle:**  
@drpersuasion

**Currently reading:** Anything related  
to Japan's post-3/11 foreign policy and  
public diplomacy

## JAMES SOULLIERE



**Hometown:** Windsor,  
Ontario, Canada

**Languages:** English and Japanese

**Favorite place in Japan:**  
Tochigi Prefecture

**Years in Japan:** 25

**Favorite author:** PJ O'Rourke

**Currently listening to:**  
"Under the Banner of Heaven"

**Secret skill:** Juggling

**Thoughts on print journalism:**  
There is something satisfying about  
holding a physical newspaper, book,  
or magazine.



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# PEOPLE AND PLACES



Brandi Goode

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**Our February issue of *The Journal* is full of interesting, inspiring people—many of whom happen to be women excelling at cross-cultural pursuits.**

“Breaking the Ice” (see page 26) is the first of what we aim to make a regular series on sports diplomacy. Far from your typical statistics-rich game reports, these articles showcase a more personal side of US–Japan relations, spotlighting athletes from both countries serving as globally minded role models. Nana Fujimoto, Japanese goalkeeper for a New York women’s ice hockey team, proves that “there is more than just ballet and piano lessons available to young women.”

We’re also continuing our monthly Entrepreneur column, featuring young and/or female business owners. Meet Ami Matsuzawa (see page 24), who, with her colleagues and “flight crew,” takes Tokyo participants on a lunch

“trip” to learn about other nations, by breaking bread together at local venues.

## AND THE AWARD GOES TO

Leaders and role models can present themselves in many ways. Some people—such as Nana Fujimoto—are more visible, while other unsung heroes work behind the scenes to advance their causes.

In the American Chamber of Commerce in Japan (ACCJ) section of the magazine, we acknowledge the 2015 leaders and volunteers of the year (see page 43), who have helped drive ACCJ agenda items such as the promotion of women in business (WIB). Six of the 13 award recipients were selected for their tireless efforts toward making both the Tokyo and Kansai WIB summits a success.

I recently had the pleasure of interviewing ACCJ Person of the Year Wendy Cutler (see page 38), who you may recognize as a lead US negotiator for the Trans-Pacific Partnership agreement. She has been working with Japan for 20 of her near-30-year diplomatic career. Cutler hopes to continue supporting US–Japan relations and the promotion of women in the Asia–Pacific region in her new private-sector role.

As she aptly explains, “The success of the next generation of leaders is our own success.”

## CHANGE IS IN THE AIR

More than one former diplomat features in our pages this month. Newly elected ACCJ President Christopher LaFleur took time to speak to *The Journal* (see page 37) about his early Japan days in Sapporo and the struggles entrepreneurs face here. He also shared his awe-inspiring landscape photography; I am constantly amazed by how accomplished ACCJ presidents are, and how diverse are their many pursuits. They are truly masters of time management.

Our cover story (see page 8) analyzes the current state of the Tokyo property market and its potential for growth. I am, in equal parts, impressed and frustrated with how quickly buildings are erected—or disappear—in this city, often taking with them beloved restaurants or shops. But, change is the name of the game in Tokyo, and the article highlights big plans underway for the evolving east side of the capital.

Enjoy the read and the *ume* (plum) blossoms this month. ■

A flagship publication of the American Chamber of Commerce in Japan (ACCJ), *The Journal* (formerly the *ACCJ Journal*) is a business magazine with a 53-year history.

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### Hand Engraving

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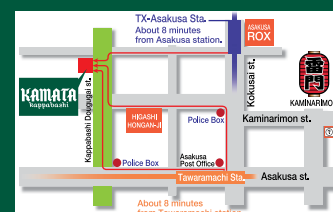


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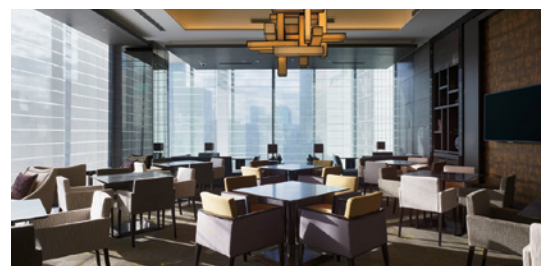


## A newly-opened sanctuary in a pulsating city

Oakwood Asia Pacific will be opening its 9<sup>th</sup> property—Oakwood Premier Tokyo in Japan. Located near the Marunouchi district, the property is a 2-minute walk from Tokyo Station—the gateway to the whole of Japan.

Oakwood Premier Tokyo boasts 123 fully furnished apartments and is housed from the 6<sup>th</sup> to the 19<sup>th</sup> floor of a 19-storey multi-serviced complex. Complete with shopping and dining options to complement your stay, Oakwood Premier Tokyo is designed to offer an unbeatable combination of exclusivity, convenience and luxury.

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# NOW TRENDING ON THE WEB

## IN THE NEWS

Tweets from leading media outlets

## FROM JAPAN

Tweets in Japanese from people and media

## TOP HASHTAGS

This month: Popular tags from the top 30 list

## LINKEDIN

Discussions from global leaders



## Forbes

@Forbes

Mizu-who? "We want to be the new face of Wall Street."

<http://onforbes.es/1PLLHKu>



@JapanEmbDC

Baseball great Hank Aaron, honored by Japan for building Japan-US understanding

<http://goo.gl/XOFN2Q>



## JT

@japantimes

After 60 weeks, Marie Kondo's decluttering book tops U.S. best-seller list

<http://jtim.es/X8A9l>

Rank

- 3 **#android**
- 6 **#NBVote**
- 18 **#job**
- 27 **#np**
- 28 **#Periscope**

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【阪神・淡路大震災から21年】6434人が亡くなった阪神・淡路大震災から17日で21年に。震災の記憶が次第に薄れる中、追悼などの行事は去年の半数近くに減っていて、記憶や教訓をいかに未来につないでいくかが課題になっています。

<http://nhk.jp/N4NF4LtU>

### 21 years after the Great Hanshin Earthquake

January 17 marked the 21-year anniversary of the huge earthquake that killed 6,434 people. As memories gradually fade, the number of memorial events taking place this year was nearly half that of last year. It has become an issue how the lesson and memory of this disaster can be passed on to the next generation.\*

Yahoo!ニュース  
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NewsTopics

【ヤマトLINEで再配達可能に】ヤマト運輸とLINEが連携。荷物の配送予定や不在連絡をLINEで通知するほか、再配達の依頼もトーク画面から可能になる。

<http://yahoo.jp/mAKJZ8>

### Yamato Transportation – Redelivery request available through LINE

Yamato Transport Co., Ltd. has tied up with LINE. Yamato will provide notifications of delivery status via the LINE app. Also, recipients will be able to request redelivery on the chat screen.\*

\* Translations of original content in Japanese



Hiroshi Mikitani, **influencer**  
CEO, Rakuten Inc.

### 2016: THE YEAR OF DISRUPTIVE ECONOMICS

Most people think of disruptors as individuals – perhaps as entrepreneurs coming up with innovations that change the way we do something. But I think if you're looking for the next disruptor, don't necessarily watch for an individual. Instead, pay attention to macroeconomics.

Jeffrey Harvey,  
Certified content strategist  
& thought leader

### MEDIA MATTERS: DAVID BOWIE AND THE ART OF THE REBRAND

"You have to think of your brand as a kind of myth ... has to have emotional content and all the themes of a great story: mystery, magic, adventure, intrigue, conflicts, contradiction, paradox." - Deepak Chopra





# VIEW from the TOP

As Tokyo rebrands, investors eye prime property despite social trends

By William Sposato



**Tokyo's property market is again looking toward the sky. But are the good vibes built on strong fundamentals of rising demand for space, solid returns, and greater investment from overseas, or is a flood of cheap money creating a new bubble?**

The data certainly appears solid. For the five major commercial markets of Tokyo, encompassing Chuo, Chiyoda, Minato, Shibuya, and Shinjuku Wards, the office vacancy rate has fallen to just over 4 percent, which is considered full capacity in most countries. The residential market similarly shows a brisk pace of sales for new condominiums. Even the price of land, which has been on a 25-year slide, is finally showing some progress—at least in the big cities.

Amid the overall tight supply for space, office rents have risen only modestly, up 4 percent in November 2015 from year-earlier levels. To some, that suggests the office rental market has room for higher rates; for others it suggests that demand for space may be weaker than it appears.

Meanwhile, there are warnings that a disruption is likely in the market. There is also concern that the current influx of domestic and foreign money, looking for that rare combination of solid returns and relative safety, may be pushing the envelope too far.

"We expect the office leasing market in Tokyo to be in an uptrend for the next three years,"

says Hiroshi Okubo, head of research for the diversified real estate services firm CBRE. "On our current projections, however, we expect rents to peak out around the end of 2018, due to both an increase in supply and potential weakness in demand," he says.

This trend is evident across most of the city's central business districts (CBDs). Shibuya, which is rebranding itself from a haven for schoolgirls to an increasingly powerful magnet for high-tech firms and startups, has seen its average rents rise and vacancy rates fall. Roppongi is popular among foreigners both for work and play, and is likewise in the midst of changing its identity as a hub for rundown watering holes frequented by foreign traders to a buttoned-down office district.

Shinjuku remains the laggard in the group in terms of the rents it can command, having lost some top-tier international corporate names in recent years. It has, however, rebuilt itself as a business-to-business center, with a largely domestic tenant base. It posted a solid 5.1 percent gain in asking rents in 2015, the largest increase of any of the five CBDs, according to figures from real estate broker Miki Shoji.

**"We expect the office leasing market in Tokyo to be in an uptrend for the next three years."**

Hiroshi Okubo, CBRE





## Key Stats: Tokyo Property Market

- Office vacancy rate in Tokyo CBDs in Nov. 2015: **4.19%**
- Office vacancy rate in Tokyo CBDs in Nov. 2014: **5.55%**
- Ranking among 18 major global markets for Grade A space: **No. 2** (behind Hong Kong)
- Office rental rates in Tokyo CBDs in Nov. 2015: **up 4% YOY**
- Tokyo new condominium sales in Nov. 2015: **up 4.8% YOY**
- Change in 2015 average Tokyo land prices from 2014: **up 3%**
- Change in 2015 average Tokyo land prices from 1987: **down 72.7%**

Sources: Miki Shoji, Jones Lang LaSalle, Real Estate Economic Institute, Japan Real Estate Institute.

## EAST SIDE TRANSFORMATION

But the big winner in all this remains the areas around Tokyo Station: Marunouchi, Nihonbashi, and Otemachi. Considering Tokyo Station was once home to army barracks, it's interesting to note how this side of town has stolen a march on virtually every other CBD. Mitsubishi Estate Co., Ltd. purchased an 86-acre tract of then-unused land in 1890 that is part of the 300-acre Marunouchi zone, and has worked assiduously to make it the most desirable business address in town. Mitsui Fudosan Co., Ltd. also has ambitious plans for Nihonbashi, the district that has been its home for more than 300 years.

The area's transformation has entailed more than just new construction and landmark buildings—the imposing Marunouchi and Shin-Marunouchi towers, as well as the Coredo Muromachi complex, are leading examples. There also has been a broader transformation of the area from a somewhat staid office district to a popular dining and shopping destination, with sidewalks seeing just as much activity on weekends as weekdays.

Other work underway includes construction of the first upscale apartment units in the district, a branch of the St. Luke's medical center, and the first *ryokan* (traditional Japanese inn) in Marunouchi, run by Hoshino Resorts.

"We want to provide for the residential, cultural, and medical needs of people in the area to make Marunouchi more competitive. This is something that you cannot do just anywhere in Tokyo. These are not necessarily revenue generators, but are important in looking at the neighborhood as a whole," according to Mitsubishi Estate spokesman Sho Tanaka.

Speaking about Nihonbashi, Toshihiro Mochizuki, leader of Mitsui Fudosan's office leasing department, said, "We have a close relationship with this

neighborhood, the companies that are here, and the people who live and work around us."

In recent years, Mitsui has undertaken a series of major redevelopment projects in an area that was the real heart of the city in centuries gone by, a center for trade, culture, finance, and commerce.

On the east side of Chuo Dori, Mitsui Fudosan has already finished the Coredo projects, a series of retail, office, and residential facilities, while further investment has gone into the Mitsui Memorial Museum, the Nihonbashi Mitsui Hall, a new Toho Cinemas complex, the

Nihonbashi 2-chome project, and an updated Fukutoku Shrine, which has taken care of residents' spiritual needs for more than a thousand years.

The results of such investments are clear. CBRE puts the vacancy rate for Marunouchi at under 1 percent for the first time in seven years. Like Japan's interest rates, at that level there is little room for a further drop.

And Mitsubishi is backing up this confidence with hard cash. In August, it announced plans for Japan's tallest skyscraper, at 390 meters, as part of a new four-building complex on the eastern side of Tokyo Station. At that height, while roughly on a par with New York's Empire State Building at 381 meters, it will nevertheless trail far behind the current winner of the tallest-building sweepstakes—Dubai's Burj Khalifa, at a vertigo-inducing 828 meters.

The Tokyo complex—known by its working name, Tokiwabashi District Redevelopment Project—will have a total floor space of 680,000m<sup>2</sup>, adding in a single stroke nearly 10 percent to all the current office space in Marunouchi. Completion is scheduled for fiscal 2028.

The residential market is also seeing a boom, with much of the current buying activity attributed to rich Japanese retirees,

[The area formerly housing] army barracks ... has stolen a march on virtually every other CBD.



**Top:** The Shin-Marunouchi Building is the highest property in Chiyoda Ward.

**Left:** Cranes are a common sight on the Tokyo skyline.

**Right:** Roppongi Hills Mori Tower is a focal point of the area's "city within a city" concept.





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and driven partly by the structure of inheritance taxes that makes high-rise apartments an attractive investment.

Further, average prices are rising as apartments are getting bigger. According to the Real Estate Economic Institute, the average price for the first 11 months of 2015 climbed 8.4 percent YOY to ¥54.7 million. Never wanting to be overshadowed, Kyoto saw the highest sales price for any apartment nationwide in the past 20 years, at ¥749 million. At that level, the term “mansion” probably is appropriate.

For rich international investors, even that price may look cheap. Last year saw a New York penthouse sell for just over \$100 million (¥12 billion at current exchange rate). Brokers active in the Tokyo market say that foreigners are indeed eager buyers these days, but their influence is often overstated, with the vast majority of residential investment coming domestically. Among the foreigners, brokers cite Taiwan, South Korea, and to a lesser extent Hong Kong as being the major centers.

While a lower dependence on mainland China could help the market stay afloat despite a myriad of warnings about the world's No. 2 economy, investors from all three markets are likely to feel the chilly economic winds from China.

### TOO GOOD TO BE TRUE?

Institutional investing is where the big money comes into play. Foreign institutional investors are now estimated to represent 20 percent of market transactions throughout Japan, according to CBRE. Global players such as the Blackstone Group and Fortress Investment Group are active in the Japan market. Blackstone boasts a portfolio of 13,200 residential units in 280 properties nationwide, and recently announced a \$450 million deal to buy London-listed Japan Residential Investment Company. Fortress, meanwhile, launched its third Japan Opportunity Fund, with equity capital at \$1.1 billion.

The influx of investment capital has pushed up prices and is putting pressure on the rates of return as a result.



The Nihonbashi 2-chome project near Tokyo Station will be completed in 2018.

A recent CBRE survey of investment trends shows the benchmark rate of return on investments in Otemachi fell to 3.75 percent, the lowest rate since the survey began in 2003.

Demand is also seen in the equities market, where Japan Real Estate Investment Trusts (JREIT) have been snapped up in the overall market boom in the era of Abenomics. Eager investors include the Bank of Japan, which has been pumping money into JREIT since it began its monetary easing program in April 2013 under its Governor Haruhiko Kuroda.

All of this optimism may be too good to be true. Skeptics point to a number of factors that could derail the market. These include the lofty pricing seen in some sectors, an increase in the supply pipeline that will hit in a few years, as well as long-term concerns over Japan's economy.

Some real estate experts see any upcoming dip as cyclical, following the last downturn that started with the 2008 global financial crisis and continued through the March 2011 Great East Japan Earthquake.

“While the Tokyo property investment market remains one of the most attractive in Asia, we are reaching a stage in the cycle where sellers of prime assets can have expectations

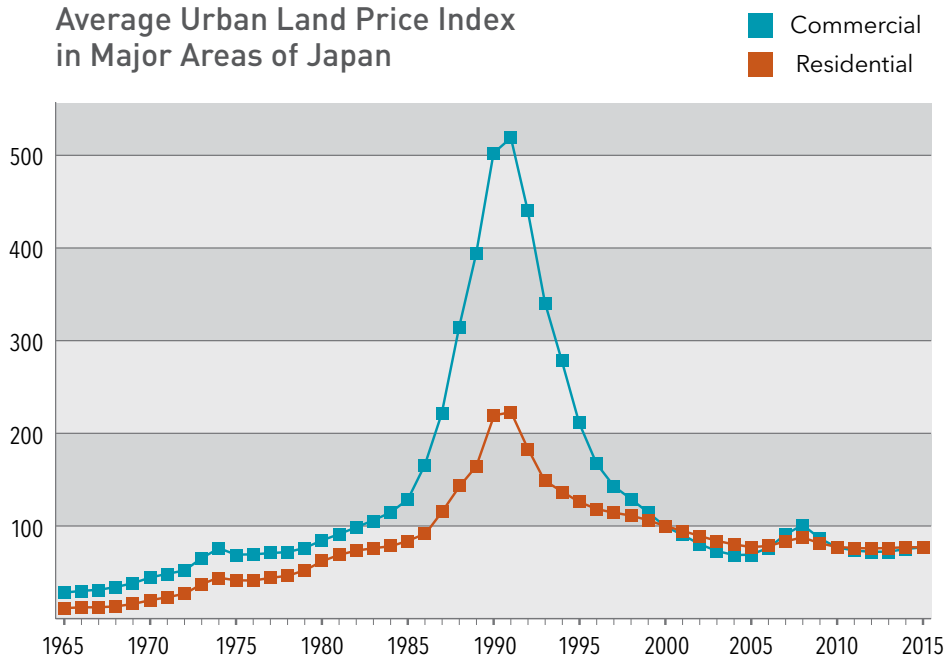
beyond which even the aggressive pricing investors are willing to underwrite,” says John Howald, director, International Investments, Jones Lang LaSalle. “This could create an expectations gap between buyers and sellers,” he adds.

### PAST ITS PRIME OR ROOM TO GROW?

Some suggest the bubble has arrived, especially in the JREIT market. In a November 2015 report, Deutsche Bank takes the bubble idea for granted and instead jumps to the issue of “how long will the real estate bubble hold?”

Deutsche lists a number of concerns, including ongoing

### Average Urban Land Price Index in Major Areas of Japan



Compiled by the Japan Real Estate Institute



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“We have a close relationship with [Nihonbashi], the companies that are here, and the people who live and work around us.”

Toshihiro Mochizuki,  
Mitsui Fudosan



economic weakness that is likely to worsen when the consumption tax is raised in April 2017. It also points to what it says are signs of potentially risky lending by regional banks, and a regulatory crackdown on apartment purchases to lower inheritance taxes.

However, some industry analysts say that despite the high valuations, the market is healthier than it was in 2007. “Office rents in Tokyo are now just 60 percent of the peak in 2007. We have seen a much more moderate increase in rents, and if our forecast is right, we still have another 10 to 15 percent to go,” said CBRE’s Okubo.

That view is echoed by the property group Savills, which says in its latest *Asian Cities* report, “considering that Tokyo is still lagging in terms of rental recovery compared to other major international cities, capital values in Tokyo have reasonable potential for steady appreciation going forward.”

As ever, the longer-term trends are more difficult to divine. Some market bears point to an expected continued decline in Japan’s workforce as the nation ages and the population shrinks. The current total labor force of 66.03 million is actually smaller than it was in 1993 and well below the peak of 68 million reached in 1998. While that figure covers all types of workers, the number of those in offices is likely to decrease over time as well.

Other headwinds include fundamental shifts in working styles, to telecommuting, hot-desking, and property rationalization programs by companies looking to reduce the amount of space needed.

With these trends in mind, Mitsubishi Estate launched a comprehensive study into what its corporate tenants will need in the decades ahead, in a bid to figure out what the future may hold.

“It is often said that companies may have less demand for space, but the importance of face-to-face communications will remain,” says Mitsubishi’s Tanaka. ■

## THE IMPERIAL PALACE AND CALIFORNIA

Many readers familiar with the Tokyo property market may have heard a rumor that during the peak of the 1980s bubble economy, the land of the Imperial Palace was worth more than all of California.

No exact source has ever been identified for this statement. An Internet search turns up no evidence to support the idea. However, on March 23, 1990, *The Wall Street Journal* ran a front-page story headlined “Real Concern: Land Prices in Japan Are Getting So Steep the Nation Is Jittery.”

Amid text on the day’s record-high prices, the inability to afford a home, and the idea of 100-year mortgages is the following: “The land under the neatly manicured gardens and ancient building of Tokyo’s Imperial Palace is valued at about \$70 billion—more than all the land in Florida.”

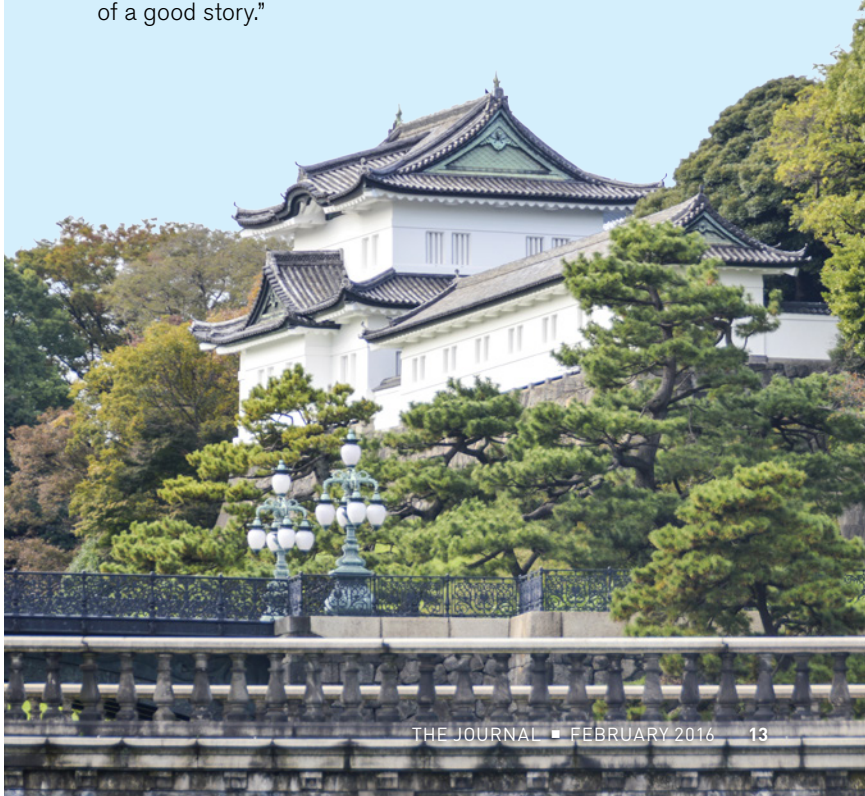
At that price and the exchange rate of ¥153 to the dollar at the time, the land would have been worth about ¥5.4 million per square meter. The exact calculation is tricky since it is not clear how much of the grounds they included, such as the public park, the area around the Budokan complex, and the moats. The figure is actually well below the price being quoted for premier Ginza property at the time, which had risen to as much as ¥30 million per square meter. But here, again, on what basis is a bit murky.

Even trickier is how to value an entire state. The last one on the market was Alaska, which went for \$7.2 million in 1867, a mere \$116 million at today’s prices.

The story also shows the assumptions that can prove to be seriously mistaken in the 20-20 lens of history. It says that inflation was a major concern, and that despite the worries of Japan’s banks at the time about a joint tumble in the property and equity markets, few analysts thought that was likely.

“The prospect of a real land-price collapse strikes most analysts as remote. ‘The most we can expect is for land prices to level off,’” it says, quoting an economist at what was then Sumitomo Bank.

So the question remains: did urban legend just swap one orange-producing state for another, and was it really true? As the journalistic saying goes, “Never let the facts get in the way of a good story.”



# What's Different about This M&A Boom

NIKKEI  
ASIAN REVIEW  
asia.nikkei.com

Japanese companies are breaking new ground in global mergers and acquisitions (M&A). The total amount of their purchases of foreign companies surpassed ¥10 trillion (\$84.9 billion) for the first time last year.

There is an essential difference between the latest M&A boom, the second since the years of the economic bubble before 1990, and the previous one in which Japanese companies went on a spare-no-expense shopping spree. This time, they aim to grow into world leaders through acquisitions.

A secret list has been making the rounds of the executive suite at Tokio Marine Holdings. The list, part of a brochure titled “Candidate firms under constant consideration,” contains detailed analyses of about 100 listed insurance companies around the world.

The brochure backs up the major nonlife insurer’s purchase of US-based HCC Insurance Holdings. The deal, which was announced last June, was the third-

[Japanese companies] aim to grow into world leaders through acquisitions.

biggest cross-border acquisition by a Japanese company in the past three years. HCC is the bluest of blue-chip insurers.

Data in the brochure is updated by Kunihiko Fujii, managing director in charge of M&A at Tokio Marine.

Fujii was contacted last February by an agent, who told him, “HCC wants to meet with Tokio Marine officials.” Fujii had talks with President and CEO Tsuyoshi Nagano on the day, and the issue was promptly discussed at a meeting of a small number of top executives. After Nagano had met with his counterpart at HCC the following month, negotiations between the two companies hummed along swiftly.

“M&A is a war of information,” said Fujii. His company has spent nearly ¥2 trillion on M&A involving foreign companies in the last nine years.

## TAKEOVER TARGETS

Last September, Yasushi Shingai, vice president in charge of M&A at Japan Tobacco Inc., was busy traveling to attend ceremonies to sign acquisition agreements with Natural American Spirit (\$5 billion) in the United States and Arian Tobacco Industry (purchase value not disclosed) in Iran.

“Now that Iran has struck a nuclear deal with the United States and Europe, the removal by the Western countries of economic sanctions against Iran is coming in sight,” said Shingai.

He and his M&A team keep 10 foreign companies under scrutiny as possible acquisition targets. They receive sales data of these companies from Japan Tobacco’s sales and marketing front line every day and calculate the corporate values of the companies based on their cash flows.

The nature of the latest M&A drive is different from that in the bubble era. Nobumichi Hattori, visiting professor at Waseda Graduate School of Finance, Accounting and Law, calls Japanese companies’



Tokio Marine keeps a secret list of takeover targets.



## Japanese Companies' Recent Acquisitions vs. Those of the Bubble Era

### Period 1 (1980s bubble era)

NAME OF BUYER	COST OF ACQUISITION	NAME OF TARGET, PREMIUM PAID OVER STOCK PRICE (in percent)	
<b>Sony Corporation</b>	\$4.6 billion	Columbia Pictures Entertainment (US)	81
<b>Fujisawa Pharmaceutical Co., Ltd.</b> (Now Astellas Pharma)	\$700 million	Lyphomed, Inc. (US)	68
<b>Matsushita Electric Industrial Co., Ltd.</b> (Now Panasonic Corporation)	\$7 billion	MCA (US)	54

### Period 2 (Last three years)

NAME OF BUYER	COST OF ACQUISITION	NAME OF TARGET, PREMIUM PAID OVER STOCK PRICE (in percent)	
<b>Suntory Holdings Limited</b>	\$15.6 billion	Beam, Inc. (US)	26
<b>Dai-ichi Life Insurance</b>	\$5.7 billion	Protective Life Corporation (US)	36
<b>Tokio Marine Holdings</b>	\$7.5 billion	HCC Insurance Holdings (US)	35

**Note.** Yen purchase prices converted into dollars based on exchange rate at time of purchase, percentages represent per-share premium over stock price of target company four weeks before acquisition announced

SOURCE: THOMSON REUTERS

international M&A activities since 2012 “the second M&A boom,” adding that “a race for the world’s No. 1 status” is the key word for understanding the boom.

The amount of premium paid over the stock price of an acquisition target that a Japanese company typically pays in an M&A deal has declined recently, compared with that of the bubble years. Some companies, such as DMG Mori, reject acquisitions with foreign companies, opting for mergers or business integration.

As funds in hand at Japanese companies have increased thanks to solid business results, they still have plenty of room for further advances in M&A. ■

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# Serviced Apartments Azabu Court

03-3446-8610

[www.azabucourt.com](http://www.azabucourt.com)





### Information

**Size Range of Units :**  
Standard Studios (20-22㎡) , Large Studios (25㎡)  
1 Bedroom Suites (33-52㎡) , 2 Bedroom Suite (71㎡)

**Bedrooms :** 60 Units

**Parking Facilities :** 2 Spaces

**Overview**

A Touch of Resort Within the City. The nearby Arisugawa Park makes you forget you are in the big city. Ideally located in the Hiroo-Roppongi residential area (4 min. from Hiroo Sta.), close to the business heart of Tokyo, convenient to shopping and cafes, we have 60 units of extended-stay studios and suites at daily, weekly and monthly rates. English-speaking professionals are on duty seven days a week, from 8:00am to 8:00pm on weekdays and 8:00am to 6:00pm on weekends and national holidays.

Our services include concierge, general information, mail/courier, free broadband internet access, and 24-hour building security. We have a nighttime superintendent who assists during the evenings. We are members of the Fitness Club Hiroo for exercise and fitness studio programs, and tickets are for sale at the reception for JPY1,080/one-time.

**Inquiries**  
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# WIRED WARS

Japan gets serious about cybersecurity as the Olympics approaches

By Richard Smart

On December 9, Prime Minister Shinzo Abe saw his website fall victim to hackers. A message on Twitter from a user called \_RektFaggot\_ read “Whaling IS NOT Cultural Right! Your website is #TangoDown!” A screenshot attached to the tweet showed that connections to the website were timing out worldwide.

Attacks such as this are increasing in number. The latest affront came after another painful year online for Japanese business and government. Anonymous, a loose online collective, had hacked around 100 websites in Japan between September and the end of last year to protest whaling, according to police.

That, however, is the tip of the iceberg. Japan’s pension system was hit by a virus that had been opened by an employee in May. About 1.25 million pension records were leaked in that incident. Two airports had their websites taken down, including Narita International Airport, in October. In recent years, hacks at organizations such as Benesse, Waseda University, Sony, and Japan Airlines have proved humiliating for companies and institutions, and have put consumer data at risk.

Part of the problem is that the sheer volume of attacks today is overwhelming for the unprepared. “In 2014, there were more than 25 billion cyberattacks in Japan, compared with 310 million in 2005,” says John Kirch, regional director for North Asia at security company Darktrace.

Kirch argues that companies and the government face huge issues because attacks often come from “insiders.”

“Everyone and every network interaction should be considered [with a degree of suspicion],” Kirch says.

Modern cybersecurity thus faces problems on multiple levels. Threats can come from anywhere; the increasing number of connected devices augments risk; and the number of attacks is rising. Japan needs to work on legislation, train workers, and look to the latest technology to ensure security.

## STAFF WANTED

A primary concern for Japan is the lack of people trained to do the work needed to secure networks. According to a government estimate, the nation would need 350,000 fully trained staff to assure secure networks. There are 265,000 people working in cybersecurity today, and 160,000 of them need additional training.

“In the short-term, Japan needs to depend on and trust its partners to help with this shortage,” says Ed Adams, CEO of Security Innovation, a Massachusetts-based company.

“[We] had so many high profile Japanese customers that we realized Japanese organizations were starting to take cybersecurity seriously,” says Maureen Robinson, Security Innovation’s marketing director. “And, given the Japanese culture—[when they are committed they do it right]—we decided that investment [in the country] made sense.”

Having worked with companies such as Sony Corporation, Rakuten, Inc., Bank of Tokyo-Mitsubishi UFJ, Renesas Electronics Corporation, and Honda Motor Co., Ltd., Security Innovation in 2014 made 44 of its courses available in Japanese. Since then, its presence in the country has increased.

“Our main activity in Japan is selling our online secure software engineering training product,” says Adams. “We do this via a partnership with NRI Secure [part of the Nomura family of companies.]”

In 2014, there were more than  
25 billion cyberattacks in Japan,  
compared with 310 million in 2005



Security Innovation is also involved in providing cybersecurity to the Japanese government. With the Olympic and Paralympic Games coming up in 2020, Japan is likely to face increasing attacks from hackers looking for the glory of a high-profile hit during a prestigious event. Additionally, many of the plans for making Tokyo into a smarter city will also increase the areas in which there are potential vulnerabilities.

“Tokyo plans to deploy RoboTaxis for the 2020 Games; these cars need to be secure and accurate in terms of delivering passengers to the desired destination,” Adams says.

Other organizations in the private sector are also looking to Japan. “The U.S. Department of Commerce is organizing a Cybersecurity Business Development Mission to Japan, [South] Korea, and Taiwan that will visit Japan on May 16 and 17, with about 20 companies participating,” says Erick Kish, a commercial attaché at the U.S. Embassy in Tokyo.

## MODERN SOLUTIONS

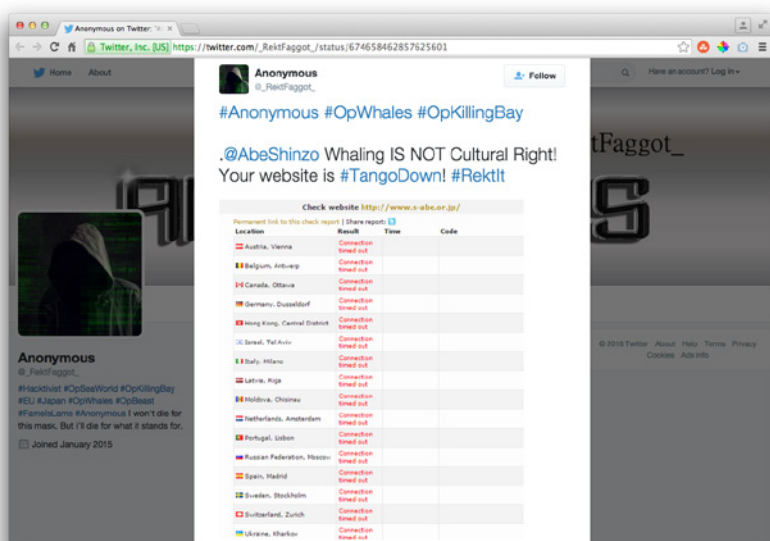
Training can help address these issues. For Security Innovation, changing some preconceived cultural notions in Japan would help tackle cybersecurity problems. “The premise of almost every Japanese national is that all people in Japan are good. Hence, there is no need for security,” Adams says.

Robinson adds that the changes brought about by the Internet require changing the cybersecurity culture of the country.

“There are no ‘borders,’ so the concept of protecting yourself via isolation and strict border and immigration laws doesn’t really apply anymore. Japan is less likely to be attacked with planes and guns than with cybersecurity volleys,” she says.

Technological advances over the past few years also mean that businesses and other organizations today have more options for protecting themselves than ever before. Darktrace, for example, does not protect companies in a conventional manner.

Japan is less likely to be attacked with planes and guns than with cybersecurity volleys.



Screenshot from a Twitter page in December targeting Prime Minister Shinzo Abe's website.

## FROM THE TOP

Beyond working with private companies, Japan is also moving on legislation to ensure the government can better manage security threats.

Last year, the nation unveiled a new cybersecurity strategy. The paper, updated after the pension records were lost in a hack, increases the government's power to monitor for threats and tackle them if necessary. The Government Security Operation Coordination team now oversees cybersecurity for all government bodies.

Recommendations in the paper, which was approved by the cabinet, include developing a strategy for sharing and communicating relevant information more clearly. In the event of an attack, “the Government will extensively share obtained information on the occurred incident, including attackers’ methods, with the governmental bodies, critical information infrastructure operators, and other relevant parties, to prevent the damage from becoming more serious,” according to the paper.

Admiral Dennis C. Blair, who served as director of US National Intelligence from 2009 to 2010, believes Japan's cybercrime strategy will take time to become effective. “Both the strategy and the organizations are new, and will require strong implementation and dynamic adjustment, since [technology] is evolving rapidly.”

“As the world becomes more connected, the potential for data and network breach is causing companies to realize that they have maybe already been hacked,” Kirch says. “For instance, when Japan Airlines was hacked, the hacker had been traveling around the company's network for about a month before the attack was discovered.”

To solve this problem, Darktrace uses a method it calls “Enterprise Immune System.” Instead of looking for known issues, its system learns the routines of devices, users, and networks, while looking out for anomalies.

“We use advanced filtering, categorization, and mathematics to connect the dots and take different types of activity that may be a small trace of possible wrong behavior and look for other incidents. Then you can make a judgment call on whether there is a trendline, and if this is a growing threat. If it is, you can identify the device in question, which may have malware, or the perpetrator.”

For years, a game of cat and mouse has been playing out between hackers and cybersecurity companies. New technologies, however, are giving organizations an increasing amount of firepower to tackle threats. Kirch believes this may be a tipping point in favor of businesses. “A lot of people have the mindset . . . ‘I’ve been lucky so far, so I am probably going to be lucky next year, too.’ I think it is time for organizations to be able to find a way to analyze what’s going on . . . to understand the normal behavior of every network, device, and person.”

Blair says that, however, will take time. “I believe that over time companies will learn what measures they must take to manage the risk of cybercrime, and that cooperation among cybersecurity companies, law enforcement organizations, and the companies victimized by cyberattacks will increase. When these two positive trends reach a critical point, cybercrime can be first contained, and then reduced. However I believe we are at least a decade from that point.” ■



# Raising the Curtain on the NEXT GENERATION

Excerpt of interview with Junichi Sakomoto, president, Shochiku Co., Ltd.

Translated by Mark Schreiber

BIWEEKLY MAGAZINE  
**KEIZAikai 経済界**

Translation of article in Dec. 1 issue

A Tokyo native, Shochiku's 62-year-old president has a Bachelors degree from Keio University and a Masters from the University of California. He began working for the company, which produces kabuki shows and films, in 1998. Shochiku studios marks its 120th anniversary this year.

**Keizaikai:** Lately the company has been focusing more on internal changes rather than consumer-driven ones. Why is that?

**Junichi Sakomoto:** To engage in *monozukuri* (craftsmanship), we need to build teamwork, by continuing to build on the fundamentals within the company and our business groups. Now I feel we are ready to take our productions to more places with new audiences, including spectators around the world. We're going to try new, unfamiliar endeavors, which will require us to have a sense of unity. If things are in order within the organization, we can deal with any situation.

**What is the most important aspect of the company's 120-year history?**

The first thing that comes to mind is that the company has been able to maintain its excellent craftsmanship. Our productions must continue to consider the feelings of both producers and audiences.

Unless the audiences' views are borne in mind, a work simply reflects the producer's ego and, should that happen, audiences will be alienated. We have continued to place importance on the creation of top-quality shows, while considering how best to reconcile them with audience perspectives.

People still recall a time when Takejiro Otani, one of the founders of Shochiku, asked his son Ryuzo—who later became president—what his impression was of a certain drama. Ryuzo replied, "This performer did this and the drama was like that . . ." The father countered, "That's not what I asked you. I mean, how did the audience react?" I believe this is Shochiku's starting point.

**Kabuki has gone through some hard times over the years, hasn't it?**

In my student days, even when free admission tickets were distributed, about half the seats at Kabukiza [theater] performances were empty. Our previous chairman, Takeomi Nagayama, wished dearly that the theater could be utilized year round just for kabuki performances, and finally we've achieved that. We are working to keep things that way.

**It will soon be three years since the Kabukiza theater reopened. What factors have contributed to its success?**

The first is the enthusiasm of the people involved with kabuki. Another is our work to make the theater user-friendly. There's an underground entrance connected to the subway station, and we devised a variety of features that attract not only fans of drama, but other audiences as well.

These efforts to expand our horizons have paid off. While the world of entertainment is diversifying, a revival of authentic Japanese culture has begun, and I suppose according to current trends, people want to see the real thing.

**In addition, more young people are going to the theater, correct?**

Yes, the number of young people in the audience is gradually increasing. But we would like to make it easier and more enjoyable for young people and non-Japanese to attend kabuki performances, so that they might become core fans.

By making it just a little easier to understand the many subtle details each performance entails, we hope to eliminate the need for lengthy translations and explanations, thereby



expanding the possibilities. I believe these subtleties aren't exclusive to kabuki but, rather, are characteristics of many aspects of Japanese culture.

**Tell us about the recent kabuki performance at the Bellagio hotel in Las Vegas.**

Five performances attracted audiences of 100,000 in total—one of the biggest turnouts ever at that hotel. The show was a fusion of kabuki and new projection-mapping technology. In the future, I'd like to see more collaborations that are unique to our company being conducted overseas.

**How about films?**

Fundamentally, I would say the same applies to films. While we might not be able to claim any major hits, through our films we are engaging in the kind of craftsmanship of which only we are capable.

Thus, we will continue to produce films aimed at young people and works with high entertainment potential, as well as release distinctive Shochiku films, like director Yoji Yamada's *Living with My Mother*. Nearly all the [Japanese] hits that gross over ¥1 billion are in-house productions. Of course we also tie up on productions with other film companies, but our basic thinking is to work at nurturing strong production crews.

**Would you say that Shochiku films have a certain something that sets them apart?**

Yes, it's a sense of humanism, which is depicted in three ways. One is by portraying people as having both positive and negative qualities. The second way would be the view that, while people's negative qualities are portrayed, humans overall are fundamentally good.

We would like to make it easier . . . for young people and non-Japanese to attend kabuki performances . . .

And the third would be that our films reflect the lives of ordinary and disadvantaged members of society.

I suppose this is a shared philosophy, which we apply to cinema, the stage, and other activities.

**Have you considered reviving any of the iconic Shochiku film series, such as *It's Hard Being a Man* or *Fishing Fool's Diary*?**

That's also something to consider. We would like to produce some sort of regular series. At present, TV Tokyo and its affiliates are broadcasting *Fishing Fool's Diary* as a drama series. The cast has worked out well and received good viewer ratings.

**How would you describe your years as president?**

Looking back, well . . . it's been a long 11 years.

**Who or what has been your guide over the years?**

It depends on the situation. There are many difficult things about management that have to be overcome. I have spent a lot of time poring over Nanami Shiono's 15-volume series about the Roman empire, *Stories of the Romans*, which has given me a lot of inspiration.

**What kind of company do you want to see Shochiku become?**

Well, we have to do our best with the limited human resources at our disposal. Nevertheless, I want to confront new challenges without fear of failure, producing people who succeed in meeting those challenges, and whose successes, through diligent application, are not limited to Japan. ■

Kabuki star Somegoro Ichikawa (center) performed at the Bellagio hotel in August, with five shows attracting more than 100,000 spectators.





# THE MEXICAN EFFECT

US and Japan  
carmakers lead drive  
south of the border

By John Amari

From large manufacturers to small and medium-sized enterprises, carmakers in Mexico are experiencing the kind of boom that comes once in a generation, if at all.

Within two decades of the country having joined the North American Free Trade Agreement (NAFTA), an economic bloc that also includes the United States and Canada, Mexico's manufacturing industry has witnessed a phoenix-like rise from its economic doldrums.

In the June 2014 special edition—*NAFTA at Twenty*—of the monthly bilingual publication *Negocios*, Eduardo Solis, executive president of the Mexican Automotive Industry Association, notes: "When placed on a line graph, you can see that despite the crises of 1995 and 2009, the automotive sector [in Mexico] grew continuously after the 1980s and then exponentially after NAFTA."

With the lucrative US car market as their main prize, since 2013 multinational automotive manufacturers have invested some \$23 billion in the industry in Mexico, according to *Negocios* in April 2015.

Japanese carmakers such as Toyota Motor Corporation, Nissan Motor Co., Ltd., Honda Motor Co., Ltd., and Mazda Motor Corporation are all expanding their manufacturing bases in Mexico.

Marques with an American heritage are doing the same. FIAT Chrysler Automobiles N.V. (FCA), Ford Motor Company (Ford), and General Motors Company (GM) are examples. Not wishing to be left out of the gold rush, German, British, French, South Korean, and Indian car brands have also been beating a path to Mexico's power base since 2012.

The upshot for its manufacturing growth—which extends beyond cars to include the aerospace industry—is that in 2014, Mexico overtook Japan as the second-largest exporter of cars to the United States.

Globally, Mexico ranks seventh overall among automobile makers and fourth among auto parts manufacturers.

Indeed, between the United States and Mexico, trade in cars and car parts reached \$126 billion in 2014. This was about the same amount as the combined trade in this sector between Mexico and three major trading partners: the European Union, Latin America, and the Caribbean.

On top of this, virtually all the world's leading original equipment manufacturers have a foothold in Mexico.



## MEXICO FACTS & FIGURES: AUTO INDUSTRY



## CAR ZONES

The hub of Mexican carmaking is the North-Central region of Bajío, an industrial belt that stretches across the states of Guanajuato, Aguascalientes, Jalisco, San Luis Potosí, and Querétaro.

Bajío is home to auto plants of US makers Ford, GM, and FCA; and German multinationals Volkswagen, Audi AG, and BMW. Ford plans to invest \$2.5 billion in expanding one

of its plants in Bajío, and is looking to build two other facilities in the region. The company will invest \$1.3 billion in one of the new production centers, which will churn out its Fusion sedan as well as the Lincoln MKZ top-end sedan.

Among Japanese brands in the Bajío area, Nissan has three plants, Honda two, and Mazda one. Toyota currently has one facility in the country, although another is to be established in Bajío by 2019, according to a company spokesperson. The second Toyota plant will focus on production of the Corolla sedan—which is also produced in the southern United States, the company added. About 200,000 units a year are expected to roll out of the new base in Mexico.

Meanwhile, the Renault-Nissan Alliance and Daimler AG are planning a joint-venture assembly plant in the manufacturing belt's Aguascalientes region. By 2017, the facility is expected to produce vehicles for both Nissan's premium Infiniti brand and Mercedes-Benz.

## PART OF THE WHOLE

It is not only carmakers that have sought a competitive edge in Mexico. Automobile parts manufacturers from around the world have discovered a niche in the country, including Japanese company Hitachi Automotive Systems Mexico.

With an \$85 million investment in 2015 in a plant in Lerma City, which stands west of the capital, Mexico City, the company will produce cutting-edge aluminum pistons for the North and South American markets.

The move follows an announcement, made back in 2012 by Volkswagen, that it would build a plant in the country. The news was followed by investments into plants by Mercedes-Benz, Audi, BMW, and Korea's Hyundai, as well as a new parts plant by Ford, which was announced in 2015.

Furthermore, US multinational Goodyear Tire & Rubber Co. and German electronics giant Robert Bosch GmbH are among the long list of car parts makers that are adding value to the automotive supply chain in Mexico.

## NAFTA AND BEYOND

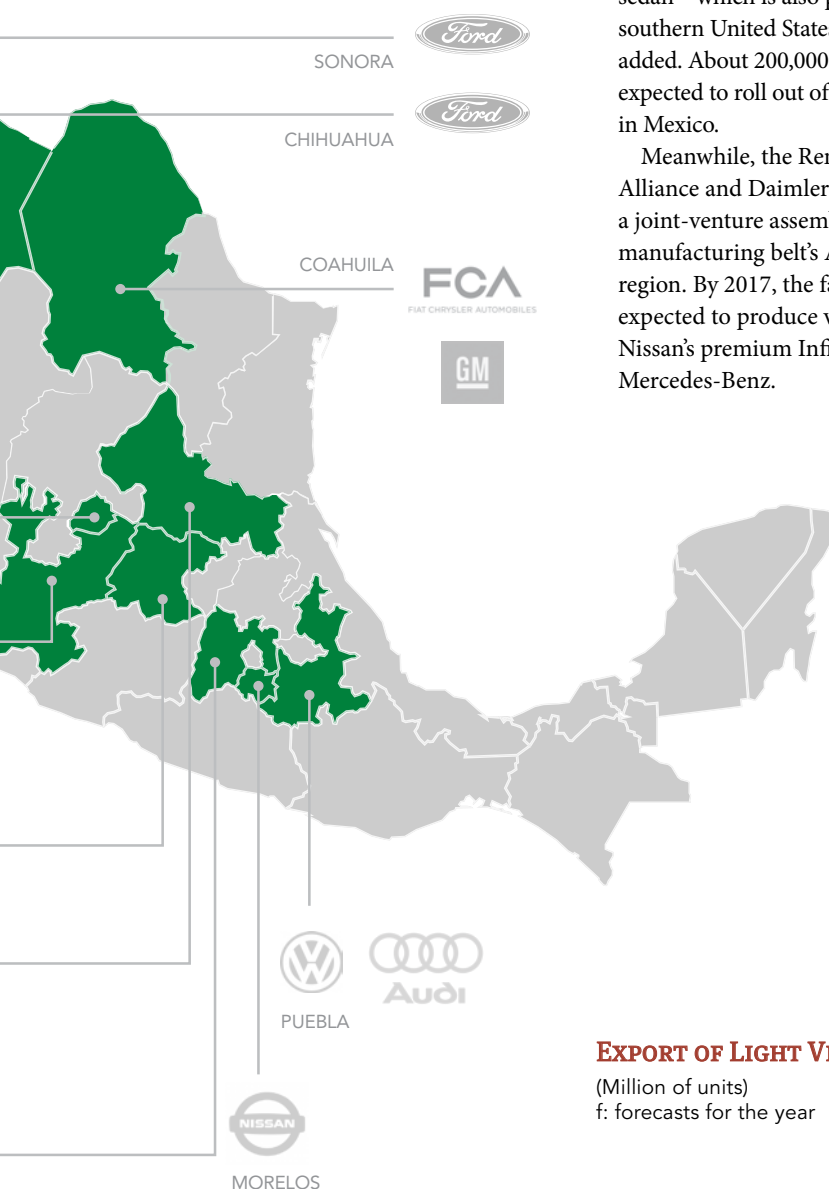
A number of factors have come together to make Mexico the flavor of the decade for automobile manufacturers around the world—from government policies to liberalize the economy to strategic economic agreements and partnerships.

For manufacturers from the United States, NAFTA, which was established in 1994 and has a GDP of some \$19 billion (around 25 percent of global GDP), is among the most important.

In the 20 years since the agreement was reached, Mexico's automotive industry has grown five-fold, and foreign investment has leaped from \$8 billion in 1994 to about \$43 billion in 2014.

Japanese carmakers, moreover, have benefited from the Japan-Mexico Economic Partnership Agreement (EPA), according to ProMéxico, the government agency responsible for coordinating the country's participation in the global economy.

### MAJOR AUTOMAKERS' FACTORY SITES IN MEXICO

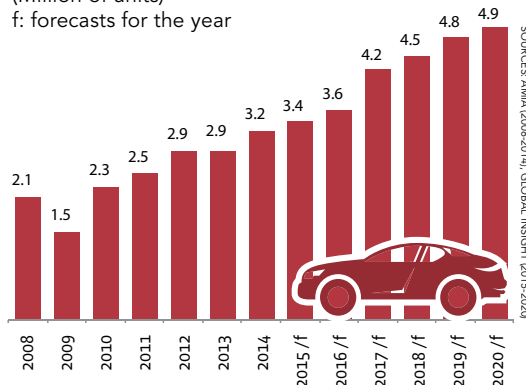


In 2015 Mexico was predicted to become the leading supplier of light vehicles to the US, displacing Japan and Canada.

### EXPORT OF LIGHT VEHICLES FROM MEXICO

(Million of units)

f: forecasts for the year



SOURCES: AMA (2008-2014), GLOBAL INSIGHT (2015-2020)

CREDIT: PROMÉXICO

Participation of the automotive and auto parts industries



20% of Foreign Direct Investment  
32% of total exports



# Japan's tax authority paying more attention to the wealthy

Over the past couple of years, the National Tax Agency (NTA) has been focusing more and more on gathering information from, and levying tax on, high-net-worth individuals, as well as senior executives and expats. As February brings the start of the tax return filing season for individuals, this article highlights two of the new weapons in the NTA's arsenal.

Spring 2014 saw the introduction of the Overseas Assets Reporting obligation for FY 2013 and this year, the Assets and Liabilities Report is being introduced to replace the often neglected requirement to attach a Statement of Assets and Liabilities to an individual's tax return.

The Overseas Assets Report should be filed by Japanese nationals and foreign nationals who are permanent residents of Japan (those having lived here for five or more of the previous 10 years) who meet the filing criteria.

However, non-residents and non-permanent residents (those having lived here for fewer than five of the previous 10 years) are both caught by the filing criteria of the new Assets and Liabilities Report.

	Overseas assets report	Assets and liabilities report
<b>Commencement</b>	Spring 2014 covering overseas assets held as of the last day of FY 2013	Due to be filed at the same time as the FY 2015 income tax return (February to March 2016)
<b>Who must report</b>	Japan-resident individuals (including any individuals of non-Japanese nationality having domicile or residence in Japan for an aggregate period of five years or more within the last 10 years), who hold overseas assets worth more than ¥50 million in total.	Individuals with an obligation to file a Japan income tax return, and: 1. Have income of more than ¥20 million 2. Hold in total: a) Assets worth ¥300 million or greater, or b) Securities etc. worth ¥100 million or greater
<b>Assets and liabilities to be reported</b>	All overseas assets held as of December 31 of the calendar year (liabilities are not required to be reported)	All assets and liabilities held as of December 31 of the calendar year
<b>Information on assets</b>	Type, number, value (fair market value or estimated value) and location of assets and liabilities, etc.	
<b>Authority to inquire and inspect</b>	The NTA will be able to inquire into the details of the report and request further supporting information if required.	
<b>Benefits of filing</b>	The penalty tax rate for understatement, etc. is decreased by 5% if the undeclared income tax or inheritance tax arises from assets declared on the statement.	
<b>Penalties for non-compliance</b>	The penalty tax rate for understatement, etc. is increased by 5% if the undeclared income arises from overseas assets that were not declared on the statement. Imprisonment for a maximum of one year or a maximum fine of ¥500,000 in the case of misstatement, etc.	The penalty tax rate for understatement, etc. is increased by 5%, if the undeclared income arises from overseas assets undeclared on the statement.

The introduction of penalties for mandatory statements like these is a new approach from the NTA to encourage compliance and is further indication of the hardening of its stance towards high-net-worth individuals, senior executives and other wealthy expats.

In addition to the above, from January 2017 Japanese financial institutions will be required to file an annual report to the tax authorities detailing the non-residents who hold accounts with them.



**For more information on how these changes will impact you, please contact us at 03-5770-8829 or [tax-info@jp.gt.com](mailto:tax-info@jp.gt.com) [www.grantthornton.jp/en](http://www.grantthornton.jp/en)**

**Eiji Miura is a partner at Grant Thornton Japan specializing in succession planning and international inheritance/gift taxation for high-net-worth individuals.**

Implemented in 2005, the EPA has facilitated trade, investment, and bilateral relations between Japan and Mexico, with Japanese investment in the country having reached \$19 billion the year the agreement was signed. Also, bilateral trade increased 71.2 percent to \$20 billion in 2015, further strengthening Mexico's manufacturing base, according to ProMéxico.

Mexico has free trade agreements with 46 countries, thus linking its markets with over 1.2 billion customers worldwide, ProMéxico added. That reach is set to increase in the Asia-Pacific region with the ratification of the Trans-Pacific Partnership agreement, which is currently up for approval in its nine partner countries, which include Japan, Mexico, and the United States.

### REFORMS AND ASSETS

In addition to entering beneficial economic partnerships, Mexico is enhancing its competitiveness via a comprehensive strategy of structural reform.

This strategy includes financial reforms, with more credit being made

available at lower rates through increased competition in the banking sector. The energy sector has likewise been opened up, as competitors are now challenging the government's longstanding monopoly in the oil and electricity market.

In terms of fiscal policy, changes in the tax system, as well as enhanced international compliance measures and promotion of the formal economy, are also adding value, according to ProMéxico.

Additionally, reinforced antitrust laws—intended to strengthen the institutional framework for creating competitive markets in all sectors—and the promotion of a more flexible labor market via new employment contracts, are supporting the country's standing as a manufacturing base.

For automakers in particular, the talent pool is rich in Mexico. According to a 2011 UNESCO report, the percentage of engineering graduates was greater in Mexico than in many other countries, including Germany, the United Kingdom, and the United States.

And such graduates come with highly specialized skills, honed in training centers such as CEDUAL (El centro de especialización dual). The Puebla-based institution utilizes the German approach to training.

Moreover, the cost of labor of a Mexican engineer, even taking into account benefits, is about 40 percent that of a US engineer, *Bloomberg* reported in November 2013.

Such reforms and assets have resulted in Mexico pivoting from a reliance on oil exports to becoming a global competitor in advanced manufacturing.

In 1981, 72 percent of the country's exports were oil-related goods. In 2014, 85 percent were manufactured and finished products, which contributed some \$400 billion to the country's economy.

The automotive industry currently accounts for some 3 percent of national GDP, 17 percent of manufacturing activity, and 20 percent of foreign direct investment. This is while Japanese and American carmakers continue to account for a growing share of the investment pie. ■

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# A Taste for Life

Meet food diplomat Ami Matsuzawa

By Dr. Nancy Snow

Ami Matsuzawa is an inquisitive person. This is probably why First Lady Akie Abe wanted to meet her as part of an international group of young women that is helping Japan engage with the world.

This “glocal” (think global, act local) entrepreneur seems to be in eternal motion. She pines for intercultural understanding, pins as community manager for Pinterest Japan, and plans global excursions—both for herself and other Tokyo-based “passengers.”

As director of LunchTrip, Matsuzawa, together with her two cofounders Kyoko Nozaki and Naho Hatakeda, have planned 80 “trips” since the company was set up in 2008. The midday excursions combine a love of taste and travel with global education.

Participants, dubbed passengers for the day, usually number from 30 to 120. They visit a cultural place in Tokyo—often an embassy or world cuisine restaurant—to eat a meal and learn about the critical issues the day’s target country is facing. The LunchTrip vision is to build an open-minded society, one passenger and tasty bite at a time.

Passengers are given background information to review before they take part in these two-and-a-half-hour trips, which feature a presentation by an expert guide followed by a working session (e.g. debate, group work, role play) designed to create an atmosphere of sharing. In this setting, Matsuzawa believes, passengers are more inclined to feel comfortable expressing their opinions. Since its founding, LunchTrip has expanded to Fukuoka, Osaka, and even overseas.

## CULTURAL NOSEDIVE

Matsuzawa is also an active travel journalist and blogger for various media, including *The Huffington Post*, Japanese webzine *EU Mag*, fashion newspaper *Senken Shimbun*, and her own travel blog: [www.fashionflight-ami.blogspot.jp/](http://www.fashionflight-ami.blogspot.jp/). Her writing caught the attention of Pinterest Japan, who hired her as community manager. But her first love remains travel, and putting her curious mind to work.

When we met, the journalist in her couldn’t resist. She asked me the first question: did I use the Tabelog

website to find the café where we met? She had provided three options for our meeting destination: a smoothie café, a place specializing in French toast, or a café just outside the station gate. I chose proximity over indulgence. Over coffee, I felt a bit like I was on my own flight around the world, Ami World, and the ride wasn’t the least bit turbulent.

Matsuzawa came up with the idea for LunchTrip when she was an exchange student during the 2005–2006 academic year at the University of Oregon, which has a strong emphasis on cross-cultural communication and education. That, combined with Matsuzawa’s teaching degree from Waseda University, makes her an exemplary citizen ambassador. She’s culturally sensitive, open and friendly, and professionally operates as a bridge between Japan and the world. But when she was younger, she was confronted by images she couldn’t reconcile.

In particular, she wanted to know the reasons behind Americans’ response to the 9/11 tragedy. In high school

The midday excursions  
combine a love of taste and  
travel with global education.

at the time, she’ll never forget her shock at seeing a newspaper article featuring pictures of her favorite singers such as Britney Spears and The Backstreet Boys, as well as schoolchildren in America, wearing patriotic garb, showing their support for the war on terrorism.

She wondered why Americans tend to support big military campaigns, whereas in Japan,



PHOTOS BY STOKICH PHOTOGRAPHY

pacifist approaches to peace-keeping are more common.

“As a teenager I had strong feelings for American pop music and movies, but as a Japanese I believed that war was the wrong thing to do.” Her internal conflict between her love for US entertainment and her aversion to war fed her desire to learn more about the American psyche.

She immersed herself fully in US culture. This meant seeking out more US and international friends, and spending less time with other Japanese exchange students. “Almost all my best friends were Americans.”

Her efforts greatly improved her English competence. But every time she went to parties, she was told, “Ami, you aren’t like ‘normal’ Japanese.” The prevailing stereotype of Japanese students portrayed them sitting alone in the library or associating strictly with other Asians. Matsuzawa was studious but also outgoing and approachable; her social network was multinational and multicultural. It seemed to her there was an invisible wall keeping people from connecting, and she wanted to break down that wall.



LunchTrip hosted a “culinary excursion” to the Solomon Islands last year.

### DEBUNKING STEREOTYPES

She decided to host what became very successful sushi hand-rolling parties, for her multinational university friends. She realized it was not only fun to learn how to make the dish, but cooking could also get people talking about cultural stereotypes, including those post-9/11 images of war and peace.

Sushi is often perceived as a cuisine that Japanese eat daily (like Americans always eat hamburgers), but Matsuzawa explained that it is often served as a way of connecting family or celebrating special occasions.

After her one-year stay in Oregon, she did a short internship with a Silicon Valley start-up, B-Bridge

International, established in 2000 by CEO Hiro Masumoto. She was living and working in Santa Clara, California, enjoying the Bay Area lifestyle after having lived in small-town Oregon.

Not too far from her home, a Sikh man wearing a *dastar* (traditional Sikh turban), lost his life in an alleged hate crime of mistaken identity. He was thought to be Muslim. Matsuzawa then became more determined to promote cross-cultural understanding.

The Ministry of Land, Infrastructure, Transport and Tourism has since acknowledged the LunchTrip idea for encouraging more young people to travel and study abroad. Food, travel, and pinning (via Pinterest) are tools to achieve her real goal: a more peaceful world driven by diverse coexistence. ■



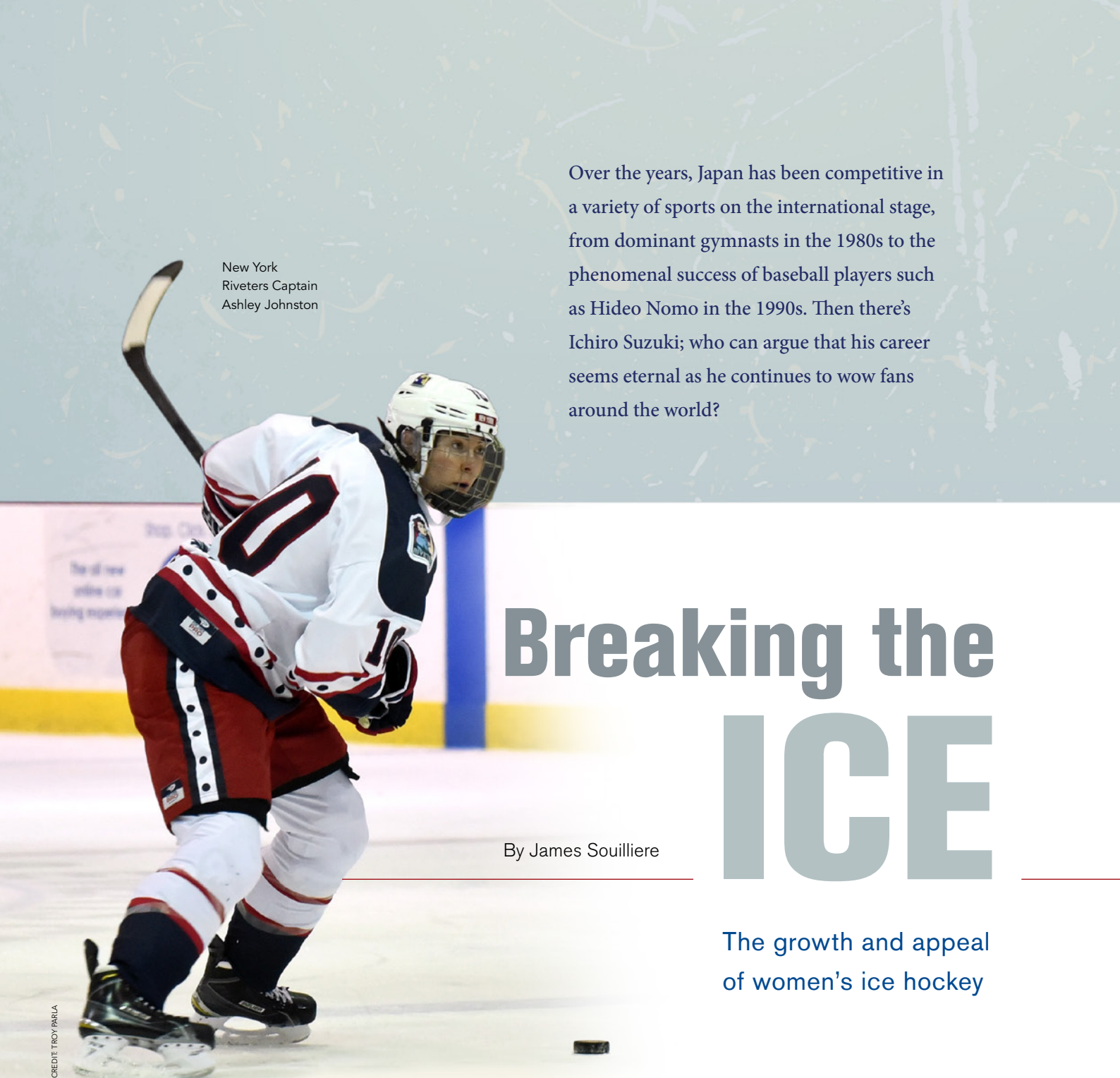
Each event highlights the cuisine of a different country.

... cooking  
could also get  
people talking  
about cultural  
stereotypes ...



LunchTrip’s “flight crew” leads the day’s “excursion” to a target country.





New York  
Riveters Captain  
Ashley Johnston

Over the years, Japan has been competitive in a variety of sports on the international stage, from dominant gymnasts in the 1980s to the phenomenal success of baseball players such as Hideo Nomo in the 1990s. Then there's Ichiro Suzuki; who can argue that his career seems eternal as he continues to wow fans around the world?

# Breaking the ICE

By James Souilliere

The growth and appeal  
of women's ice hockey

More recently, Japan has seen summer success with the women's national soccer team, Nadeshiko Japan, having won the 2011 women's World Cup and finished second in the 2015 cup. In winter sports, the figure skating of Mao Asada and the recent record-breaking achievements of Yuzuru Hanyu show that Japan can more than hold its own on the ice.

Nana Fujimoto, a 26-year-old goalie for the Japanese women's national ice hockey team, Smile Japan, is the latest to break onto the international scene in the inaugural season of the United States-based National Women's Hockey League (NWHL).

## **SMALL WONDER**

Although introduced to Japan in 1915, men's hockey didn't really take off until the country hosted the 1972 Sapporo Olympic Winter Games. But the sport truly blossomed in the country in 1998, with the first-ever participation by women in Olympics hockey at the Nagano Winter Games.

Despite a lack of mainstream support and coverage, Smile Japan has seen success over the years, and is currently ranked eighth in the world by the International Ice Hockey Federation—ahead of more likely hockey powers such as the Czech Republic, Denmark, and Norway. The team has made just two Olympic appearances and,

despite failing to record a win at either, has improved markedly. Smile Japan was outscored 45-2 at the '98 Games, but kept the difference to 7-1 at Sochi, where they lost by just a single goal against powerhouses Sweden and Russia.

The team's performance at Sochi can, at least partially, be credited to the rock-solid goaltending by the diminutive Fujimoto.

A Sapporo native who started playing hockey at age six and goalie at age 11, Fujimoto has contributed much to Smile Japan's success. At the 2015 International Ice Hockey Federation World Championships, Fujimoto was named best goaltender of the tournament. Only US goalie Alex Rigby, who faced 99 fewer shots on goal in the tournament, posted a better goals-against-average than Fujimoto.

Although Smile Japan finished second in the five Asian Winter Games in which they have participated, falling to China twice and Kazakhstan the last three times, they have good reason to be confident ahead of the 2017 Asian Games in Sapporo, and the 2018 Winter Olympics in PyeongChang, South Korea.

#### NWHL: NEW OPPORTUNITY

In 2015, Dani Rylan, currently the league commissioner and general manager of the New York Riveters team, formed the NWHL. In addition to the Riveters, the league currently has three teams, one each based in Buffalo, Boston, and Stamford, Connecticut. Japanese hockey was thrust into the spotlight when Fujimoto joined the Riveters for their first season.

**“Any one of the Japanese players could very comfortably fit within a Canadian or American university.”**



Nana Fujimoto played an exhibition game for Smile Japan in Nikko in December.

Rylan hopes the advent of the NWHL will encourage more young women to take up the sport.

“It's part of our business model to get more girls into the game, not only becoming fans, but growing into our next crop of players. One of my favorite memories of this year was seeing a young girl at one of our games holding a ‘2027 First-Round Draft Pick’ sign, showing me that we are not only affecting the current generation of women, but the future ones as well,” Rylan told *The Journal*.

The NWHL is working to extend its reach globally as it looks to attract the best players possible.

“This past summer we held an international training camp where the goal was to bring in as many players as possible from around the globe. We want to be the most elite league, and that requires finding the best players from everywhere. Even though we're based in the Northeastern US, we don't want to have borders hold us back,” she said.

#### JAPAN VERSUS THE WORLD

The New York Riveters visited Japan in mid-December for a three-game exhibition series against Smile Japan in Nikko, Tochigi Prefecture.

When asked about the differences between the Japanese game and that of North America, Riveters Captain

Ashley Johnston said that the larger ice surface in Japan creates a different style of play.

“The wider ice in Japan makes for a more tactical game and the Japanese team really uses that to their advantage. There are more set plays, whereas on the smaller rinks, there's a lot more reacting on your toes,” Johnston said.

The Canadian captain had high praise for Japanese players, saying, “Any one of the Japanese players could very comfortably fit within a Canadian or American university.”

Fujimoto also noted that Japanese players currently play in the Canadian Women's Hockey League, as well as in several leagues in Europe. “There are a lot of good players in Japan and quite a few who could play in the top leagues,” she said.

Fujimoto echoed Johnston's comments on the differing size of playing surfaces in Japan and the United States, saying: “Because of the smaller surface, I had to adjust my positioning,



Nana Fujimoto at the ready, playing for the NY Riveters



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CREDIT: NANA SAKAI

The New York Riveters visited Japan in December for a three-game exhibition series against Smile Japan.

as the difference in the size made a big difference in how I set up. The smaller rink made for a faster game, while the different crease size and lack of space behind the net also meant a lot of adjustments for me.”

While Johnston and Fujimoto praised the Japanese team’s technical skills, they also had some suggestions for how they could improve.

“They could be a bit more creative in adjusting set plays from the plan to the actual situation as it unfolds. Shooting the puck more would also help, but they are a solid and very respectable team . . . doing a lot of things very well,” Johnston said.

“Although the Japanese have the speed and skating skills,” Fujimoto added, “there needs to be a reliable finish. To see better results, we need to work on our positioning in front of the opposing team’s net, while finding a good balance between our offense and defense.”

Riveters coach Chad Wiseman noted that other than differences in physical stature, the Japanese players can more than hold their own internationally.

“They skate really well and move the puck well, especially on the larger ice surface, and I see a lot of them that would do fine in the NWHL . . . [Their’s is] very structured play.”

### FUTURE OF WOMEN’S HOCKEY

Fujimoto’s rise to prominence could not come at a better time, as athletes such as Serena Williams and mixed-martial-artist Ronda Rousey have

become international brands and role models for young women. Her elevation to the highest stage of the game also comes at a critical time for the Japanese government, as it tries to increase women’s participation in the workforce and on the global stage.

As the number of Japanese girls choosing to play ice hockey has been decreasing in recent years, one can hope that Fujimoto’s participation in the NWHL will inspire an increasing number of young women to realize that there is more than just ballet and piano lessons available to them, and that they can grow into strong, independent, and

powerful women through sport.

Long-term Tokyo resident Jason Wik, a father of two girls who play hockey in Japan, hopes to see Smile Japan’s success translate into new grass-roots youth hockey programs, especially for girls.

“More encouragement is needed to get more young women out to the rink. Coaching should focus not only on the technical side of the game, but on the educational and social aspects of organized sport,” he said.

When asked about her feelings on playing in the NWHL and what it means for women’s hockey, Fujimoto said: “I’m honored to have the opportunity to play in such a high-caliber league. I hope my being here will popularize the sport among women and inspire more young girls to take it up.” ■

“Coaching should focus . . . on the educational and social aspects of organized sport.”



CREDIT: NANA SAKAI

Nana Fujimoto gives an autograph to a young fan.



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# Making It Happen

By Dr. Greg Story  
President, Dale Carnegie Training Japan



動かす

**B**eginnings are important in business. It might be the start of a new calendar or financial year, or the launch of a new initiative. Often we get straight into the launch and problems arise. Issues we didn't anticipate are particularly annoying. We may not be able to eliminate all the issues associated with initiatives, but we can always do a better job in the pre-launch phase.

Here are three handy questions to contemplate in the early planning stage, as you toss around some ideas for the next big thing:

## 1. Are your team members ready?

Everyone is usually busy and many feel like, "I am busy enough already thank you very much!" Their attitude toward doing more may be negative and resistant. Just dropping another new project into their laps may not garner the commitment needed to complete the task, in the given time frame and within budget.

You may be highly motivated, mainly because it is your idea and you have a really strong grasp of the "why" behind the initiative. The rest of the team may just view this as more work, relegated to the same level of importance as all the other things they are already doing. Communication skills become important at this point.

We need to be persuasive about the vision of a better future for the team and the enterprise. We need to be clear about what we are going to do and not going to do in this project—the mission needs to be defined and separated from the other work already underway.

Leaders' presumptions are often the killer of successful outcomes. The "why"—and none of the when, where, what, and how—needs to be the starting point. Assuming all team members know the "why" is a fatal mistake that can come back to haunt us when the project tanks and desired outcomes are not achieved.

## 2. Are the team members willing to put in the time and effort?

"They get paid to be willing and able, don't they?"

This may be true, but that is not enough. We want self-motivation, ownership, self-accountability, delegation, and self-

leadership. Staff will not automatically exhibit the behaviors that show a willingness to go the extra mile to get this done or the fortitude to keep going when things get tough. We need to anticipate that competing priorities will cloud the issues at hand.

Staff will only step up because they have been convinced of the urgency and priority of the project. The big picture must be boiled down to micro tasks that are prerequisites for successful outcomes. That requires arousing enthusiasm in the team to embrace change.

Few people want to change, mainly because they are deeply entrenched in the foxhole of their comfort zone. Enticing people to step out into the world of the new and risky requires extra efforts to communicate a better future. So we must dedicate sufficient time to explain and also to check for understanding, buy-in, and enthusiasm.

## 3. Is the team able to succeed? Do they have the resources necessary?

Often, our time is the most valuable resource, and we are miserly in offering it, because we are so overwhelmed by what we are trying to check off the to-do list. We mistake dumping for delegation and then wonder why things go wrong. We need to factor leaders' time into the equation from the start and make sure they are accessible to staff.

Also, check if any special training is needed to bolster skill sets, to ensure tasks get completed correctly. And ask: are there any internal barriers to cooperation with other groups? Are there any logistical elements like equipment or space that need to be proffered so the project glides along smoothly? Has decision-making authority been pushed far enough down the line to ensure team members are feeling empowered to run this themselves?

Picking apart failure is no fun, and can feel like a burden. Better to dedicate some time for hard thinking at the start, rather than hard thinking at the end about where everything went wrong. ■

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For Dr. Greg Story, an attraction of living and working in Japan is the country's love of design and mindfulness of the customer experience.

As country president of a global company providing human resources training, Story has a keen appreciation for the Japanese work ethic. A long-term, bilingual resident in Tokyo, and a practitioner of Japanese martial arts since childhood, he also has a strong sense of Japanese style and craft.

But even he was impressed when he came face to face with the Lexus IS200t F Sport, a four-door sports sedan.

With an aggressive stance and dramatic lines sweeping from end to end, the IS200t (Turbo) raises eyebrows and causes the observer to catch their breath.

"I know Lexus is a high-end brand," Story says. "And I have driven the company's models before, so I have very high expectations.

"But this is pretty cool. When you sit down, the car adjusts the seat for you. It feels sporty simply from the way they arranged the seat, the narrower cabin, and the steering wheel."

#### JAPANESE DESIGN

Starting out from Tokyo's Aoyama-itchome district, Story rolls into bustling traffic, heading toward the government district of Kasumigaseki and the shopping mecca of Ginza.

"The stitched red leather interior is very flash, while the dashboard—with its silver tones—looks very modern," he says, running his hand along the sporty wheel of the IS.

With hand-made Japanese wood trim, hand-stitched leather finishing, and low-set leather sports seats, the IS200t is the epitome of Japanese design.

"The interior is not just utilitarian, it's beautiful. You can tell they've gone to a lot of care to make this," Story observes.

# THE LEXUS EXPERIENCE

Test-driving the IS200t





What's more, the sports sedan provides an amazing driving experience: a lightning-fast transmission and powerful engine provides an incredible 241 horsepower. The IS200t can do zero to 60 miles per hour in 6.9 seconds.

"The take up is pretty smooth," says Story, smiling.

With traffic getting heavier, he changes lanes and enters a tight turn. In the mid-distance, the majestic gardens of the Imperial Palace stand resplendent in the morning sun.

"I find that we are quite a bit lower to the ground, compared to the German car that I'm used to driving, so you have a bit more feel with the Lexus. There's a lot more interaction between road and driver," he notes.

"And the turning circle is quite tight compared with my usual car, which is a bit big and not this easy to maneuver."

## WORK AND PLAY

The IS200t's Adaptive Variable Suspension and Variable Gear-Ratio Steering are designed to connect driver and road.

Moreover, the Drive Mode Select console allows the driver to choose between the fuel-efficient Eco mode, the everyday Push Normal setting, and the Sport S/S+ selection. Whether

you are driving in open country or on city roads, commuting to work, or out on a frolic, the driving experience is augmented by design.

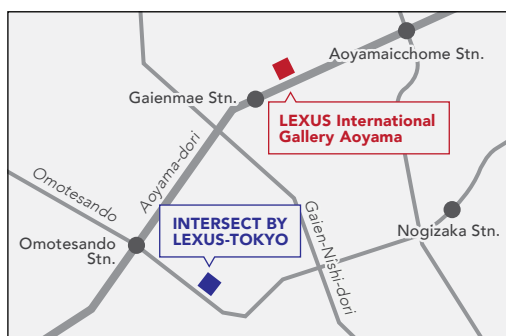
## There's a lot more interaction between road and driver

Rather than a daily commuter, Story sees himself more as a weekend driver—who loves to head up country. "I'd take the IS200t up to the Okuchichibu Mountains of Kanto, or the tourist hot-spots of Atami, Hakone, or Nagano Prefecture."

Back at base, Story is as excited about the Lexus as he was before the test drive began.

"I think the appointments of the car are very good; it is well thought through. They are aiming for the high-end market, and are achieving it. So if you are after a sports model, this would be a good car to try out."

Discover the Lexus driving experience at International Gallery Aoyama, explore the Lexus lifestyle at INTERSECT BY LEXUS



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## LUXURY LIFESTYLE

In 2013, when the Lexus marketing team released the first video in its *Amazing in Motion* series, many people—including internal sales staff and dealers—asked why the company wasn't doing more product-based advertising.

Since the appearance of the fourth video, *Slide*, which attracted nearly 40 million views online, people have stopped asking such questions. Lexus created its own hoverboard for *Slide*, which shows skateboarders, sometimes unsuccessfully, riding and doing tricks on the futuristic board.

Amazing things are what happens when technology meets imagination. Atsushi Takada, general manager, Lexus Brand Management division, believes the Lexus product line, at its core, is a manifestation of this idea.

"We are more than an automobile company; we are a luxury auto company. Sometimes we need to focus on the luxury aspect of our brand."

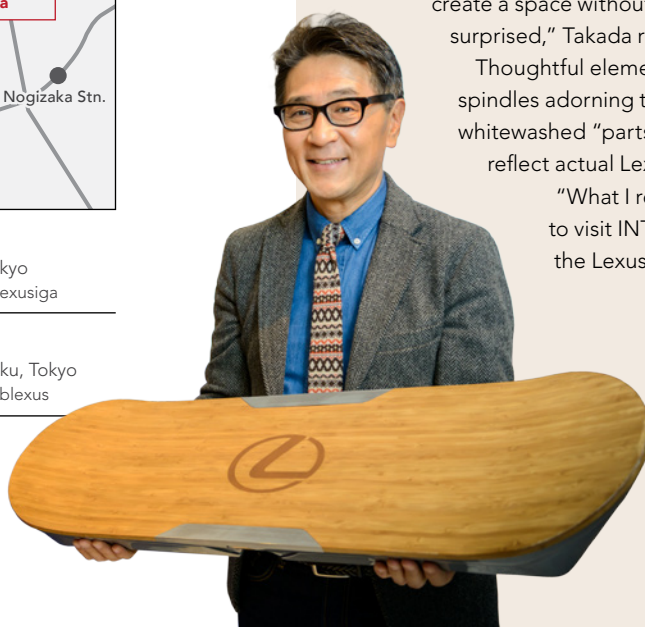
INTERSECT, a lifestyle café in Tokyo's fashionable Aoyama district, appeals to luxury-minded target consumers. Takada describes the space as similar to a Lexus customer's house: the kitchen (café) and garage are where you would invite a guest to chat over coffee, maybe discuss your car, then move upstairs to the lounge (bistro) for more extended visits.

On the second floor, INTERSECT offers table and sofa seating as well as an area showcasing Crafted For Lexus apparel and accessories, items designed for sale by the brand. A Lexus car model is often on display downstairs.

"When I asked the designer of INTERSECT to create a space without a car, he was really surprised," Takada reflects.

Thoughtful elements such as the bamboo spindles adorning the windows, and the whitewashed "parts wall" lining the staircase, reflect actual Lexus features.

"What I really wish, is for customers to visit INTERSECT, to experience the Lexus lifestyle," Takada adds.



Atsushi Takada with the Lexus hoverboard



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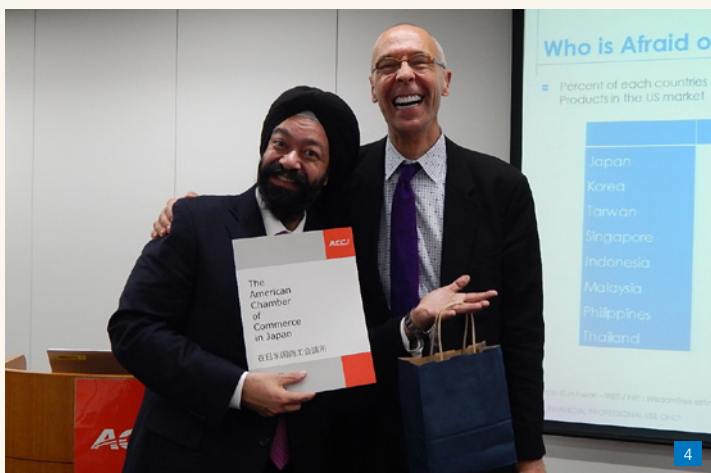


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SETH SULKIN

- 1 The Information, Communications and Technology Committee Shinnenkai (joint event with the Canadian Chamber of Commerce in Japan) was held on January 14, at Aoyuzu restaurant in Ebisu, Tokyo.
- 2 ACCJ Kansai Women In Business Committee members at a reception to celebrate the inaugural Kansai Women in Business Summit, hosted by US Consulate General Allen Greenberg (sixth from right) at his residence on January 8.
- 3 More than 280 people attended and danced with band "Rudy and Stars" at the Chubu Champagne Ball and Award Evening, held at the Hilton Nagoya on November 20.
- 4 Kiran Sethi (left), former vice president - Kansai, with Jesper Koll, CEO, WisdomTree Japan K.K., after Koll's presentation "Japan 2016 - Towards Escape Velocity," held at Eli Lilly Japan on December 16.





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## THIS MONTH'S FEATURED VIDEO:

### Frank Packard's ACCJ Experience

Frank Packard, president of TAP Japan, joined the ACCJ three years ago to learn. As a finance professional turned small-business owner, he discovered he had much to contribute—and that being a member was also good fun.

Don't miss the recently updated playlist with **22 videos** from the **ACCJ Kansai Women in Business Summit**.

Visit <https://www.youtube.com/user/AmChamJapan> and subscribe today!





ACCJ President Christopher LaFleur

## Meet the New President

With a diplomatic career spanning nearly 35 years—16 of them in Japan—broad private-sector experience, as well as board positions at nonprofits and in academia, American Chamber of Commerce in Japan (ACCJ) President Christopher LaFleur undoubtedly has much insight to share. Of his multiple advisory and professional roles, however, the ACCJ will be his primary focus in 2016.

“I’ve dealt with various chambers in Asia, but have not seen one as active and influential as the one here. We have standing with the government, and there is a real role for the American chamber in Japan. The ACCJ has a high standard for engagement,” he says.

LaFleur’s dealings with the ACCJ began during his stint as deputy chief of mission at the Embassy of the United States in Tokyo, in 1997. His first posting to Japan, where he spent several “lovely years,” was far from the capital, however.

“After joining the State Department in 1973, I was sent to Sapporo. In those days there was no Internet or much infrastructure to support expats outside of Tokyo. We had to write letters. You really were living more like any Japanese would, which was undoubtedly a good thing if your goal was to be closer to the culture and language.”

LaFleur’s command of the Japanese language is excellent, a skill he began honing those first years in Hokkaido and later refined at the State Department’s language training facility in Yokohama.

Other than Japan, LaFleur has resided in his native New

York, Washington, Taipei, Kuala Lumpur, and Paris, but Japan drew him back. His wife, who hails from Tokyo, was certainly a strong reason.

“When we met, it was fate,” he recalls. The pair met after being seated next to one another at a party hosted by a Swedish diplomat.

Mrs. LaFleur runs her own travel jewelry business, a venture she started some 20 years ago. They have two daughters, one of whom is also a business owner in the United States. As such, LaFleur is very much in touch with the issues facing women and entrepreneurs in general.

“I can’t begin to describe the challenges women face here,” he says.

In comparing his wife’s entrepreneurial journey in Japan with that of his daughter abroad, he says, “I’m sure the risks and rewards are stacked somewhat differently between the US and Japan.

“In my daughter’s case, as for a lot of young folks in her generation, they see the opportunity to establish their own business and go for it. That would never have occurred to me after graduation. Certainly the ability to establish a company and the

system for taking on debt to finance those early years is much better in the States.

“In Japan people often have to bet all their personal assets on a new business idea. One thing I think the Japanese government should look at is how they can better support start-ups and foster entrepreneurship,” LaFleur says.

Furthermore, he adds, adjusting as the economy changes around you is a vital skill for every entrepreneur. “A military expression comes to mind: ‘No plan survives first contact with the enemy.’”

Before founding his consultancy, LM Associates, in 2011, LaFleur served as vice chairman and head of government relations and corporate social responsibility at J.P. Morgan Japan. He still feels strongly about big companies’ obligation to give back to their communities.

The transition from the public to private sector was easy. LaFleur joined the financial services firm just when the Lehman shock kicked off, making government relations a crucial part of all banks’ activities.

“There was a huge policy component [to the job] that suited my background, particularly as I was in Tokyo as DCM [deputy chief of mission] during the Japanese financial crisis,” he says.

When he’s not advising on start-up or financial issues, LaFleur can be found with his camera in the great outdoors. He is an avid hiker and accomplished landscape photographer, and exhibits annually at a gallery in Karuizawa. ■

LaFleur’s photography can be seen at [www.kurochromes.com](http://www.kurochromes.com)



Mermaid, shot by LaFleur at Jokulsárlón in Iceland, in 2013



Fern Spring, shot by LaFleur at Yosemite, in 2010



## Wendy Cutler: 2015 ACCJ Person of the Year

By Brandi Goode

In July 2014, Wendy Cutler spoke at an American Chamber of Commerce in Japan (ACCJ) event, emphasizing that “women’s empowerment is not just a women’s issue; it’s a men’s issue, a societal issue, and an economic issue.”

Cutler, then the highest-ranking career employee at the Office of the United States Trade Representative (USTR), was regularly visiting Japan as a key negotiator for the Trans-Pacific Partnership (TPP) agreement.

One-and-a-half years later, with the successful conclusion of the historic pact, she has been named the chamber’s 2015 Person of the Year, in recognition of her work over the years to advance the US–Japan trade agenda. In addition to her accomplishments in trade, the ACCJ recognizes Cutler as a role model and inspirational spokesperson in her support for professional women.

After nearly three decades with the USTR, and many accomplishments along the way—including her role as lead negotiator on the U.S.–Korea Free Trade Agreement (KORUS)—Cutler now serves as vice president of the Asia Society Policy Institute (ASPI) and managing director of Asia Society’s DC office. She sat down with *The Journal* during a recent visit to Tokyo to recap her personal and professional achievements, as well as her goals for the next stage of her career.

### **Tell us about your first experience at the negotiating table.**

When I look back, I almost cringe at the mistakes I made during those first years. But, you learn from those errors. Early on in my career I focused more on showing that I was tough rather than problem solving.

Over time I’ve learned to listen more to the other side’s concerns and views, search for win–win solutions, and pick my battles at the table. Indeed, you serve your country better by focusing on the issues that really matter for your country’s interests rather than simply scoring points on the ledger board. At the end of the day, we are all people, so treating your counterparts with respect is extremely important. I have tried to impart that to younger negotiators.





**You've cited empowering women in Asia as one goal in your new role. What plans do you have for this?**

Women are key to economic growth and development. Clearly they are underrepresented not only in the private sector, but also in the public sphere. Over years of negotiations, I couldn't help but notice how few women were on the other side of the table. I have seen that begin to change, however.

I am particularly interested in sharing my work experiences—including the opportunities and challenges I've faced in my career—and how I've learned from these experiences, with the next generation of professional females.

In terms of what I can contribute specifically in my new role at ASPI, I hope I can first and foremost provide a platform that ensures women's empowerment gets an equal seat at the table when discussing economic policy issues. More than anything, I believe I can help validate that gender equality is not only a women's issue, but also an economic one.

**What is your view on mentoring?**

When I was at the USTR, many people sought my advice on issues related to trade negotiations, as well as workplace-related issues. I really enjoyed that part of the job, as I think it's important to give back, to help the next generation flourish in the workplace and at the negotiating table. The success of the next generation of leaders is our success.

When compared [with those in] the United States, I think many professional women [in Asia] still are reluctant to reach out to potential mentors. In the United States we are used to raising our hands to seek advice and counsel, and I have done that throughout my career. I hope

that the younger women I have worked with will continue to reach out to me throughout their careers.

**Gender equality is not only a women's issue, but also an economic one.**

**What have you learned from your negotiations with Japan?**

Over the years I've been able to develop deep mutual trust with my Japanese counterparts to achieve win-win outcomes. I have always been impressed with how well prepared and skillful my Japanese counterparts have been. But compared with other countries, the Japanese negotiating style requires more time for decision-making because of the need to develop internal consensus.

For the TPP negotiations, Japan set up a new negotiating structure under the direct leadership of Prime Minister Shinzo Abe and Minister of Economic Revitalization Akira Amari. Previously, we essentially negotiated with different ministries, and frankly often wondered if they were all working for the same government. The centralized and improved structure set up for the TPP negotiations facilitated our ability to reach a mutually acceptable deal.

**Were the TPP negotiations particularly challenging?**

Japan's decision to join TPP was huge. There was a lot of skepticism about whether Japan would be ready to make meaningful market-opening commitments, particularly in agriculture. We spent a lot of time consulting with the Japanese government before we supported their TPP participation, and ultimately they were able to deliver.

The deal Japan will submit to the Diet is one they can defend as being in the national interest, and I feel strongly that the United States can do the same with Congress. TPP will provide significant economic and strategic benefits and can serve as a model for future trade agreements in the region.

**Was there ever a moment when you thought the deal might not happen?**

In every negotiation there are moments when you are ready to give up, and TPP was no exception. But what I've learned is that you can't let those moments take over. It's important to regroup, reflect on your position, think about the other side's position, and go back to the table to find a way forward.

Wendy Cutler spoke at an ACCJ Women in Business event in July 2014.





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**I have always been impressed with how well prepared and skillful my Japanese counterparts have been.**

### **Which sectors of the US economy may reap the most benefits from TPP?**

US companies will gain meaningful market access to Japan's agriculture market. There are also many areas on the manufacturing side where inroads can be made, largely due to the reduction of tariff and non-tariff barriers. TPP provides regulatory transparency and important market-opening rules and commitments related to the services sector, an area in which the United States is particularly strong.

We've also laid the foundation for more partnerships between Japanese and US companies. As supply chains are established in the region, I expect there will be more areas where US and Japanese companies will be an integral part of those chains.

### **Which countries would be candidates for expanding TPP?**

It's very heartening to see that right after TPP was concluded, a number of countries expressed interest in the agreement, such as South Korea, the Philippines, Indonesia, and Thailand. Even China has indicated that it is closely studying TPP and having internal discussions as it seeks to develop its position on the pact.

[South] Korea comes to mind as being most ready on that list of candidates, primarily because we've already concluded a free trade agreement with them that includes many high-standard provisions.

### **How does it feel to receive the ACCJ 2015 Person of the Year Award?**

I'm very honored to receive this award, particularly when I look at the list of past recipients. I've worked hard throughout my career, with Japan in particular for over 20 years, often slogging through really tough negotiations but also trying to change things in Japan. To be recognized for that by the ACCJ means a great deal to me. I've worked with the ACCJ over the years and I know that they are sometimes a hard audience to please!

### **Any words of inspiration for US businesses here?**

Governments can only do so much to improve trade relations and flows. Now, it is up to companies to help work to get the deal in effect in TPP countries, so they can gain the benefits created by the agreement. ■

Hear Wendy Cutler speak at the upcoming awards ceremony in March. Visit [www.accj.or.jp](http://www.accj.or.jp) for details.

## **ACCJ PERSONS OF THE YEAR**

2014	Fumiko Hayashi, mayor, City of Yokohama
2013	Fujio Cho, honorary chairman of Toyota Motor Corporation
2012	John V. Roos, 28th US ambassador to Japan Susan H. Roos, labor attorney and wife of Amb. John V. Roos
2011	Hiroshi Mikitani, CEO of Rakuten, Inc.
2010	Dr. Kiyoshi Kurokawa, professor at the National Graduate Institute for Policy Studies, and chairman of the Health Policy Institute, Japan
2009	Tadashi Yamamoto, president, Japan Center for International Exchange
2008	J. Thomas Schieffer, 27th US ambassador to Japan
2007	Prof. Heizo Takenaka, director of Keio University's Global Security Research Institute
2006	Hiroshi Okuda, senior advisor and member of the board, Toyota Motor Corporation
2005	Taizo Nishimuro, chairman & CEO, Tokyo Stock Exchange; advisor to the Board, Toshiba Corporation
2004	Howard H. Baker Jr., 26th US ambassador to Japan
2003	Yuzaburo Mogi, president & CEO, Kikkoman Corporation
2002	Masamoto Yashiro, chairman & CEO, Shinsei Bank, Limited
2001	Yoshihiko Miyauchi, chairman, Orix Corporation; vice chairman, Keizai Doyukai; chair, Council for Regulatory Reform
2000	Thomas S. Foley, 25th US ambassador to Japan
1999	Dr. Kazuo Inamori, founder and chairman emeritus, DDI (now KDDI) Corporation and Kyocera Corporation
1998	Hideo Ishihara, chairman, Goldman Sachs Japan
1997	Yotaro Kobayashi, chairman and CEO, Fuji Xerox Company, Ltd.
1996	Walter Mondale, 24th US ambassador to Japan





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## 2015 ACCJ Stars

**"T**he success of the chamber depends largely on members' efforts and contributions," said Christopher LaFleur, newly elected president of the American Chamber of Commerce in Japan (ACCJ), at the December 2015 Leadership Forum.

That evening, in lieu of the standard breakfast meeting format, a networking reception was held to celebrate the individuals deemed leaders and volunteers of the year, for their outstanding contributions to the ACCJ. ■

### LEADER OF THE YEAR WINNERS

**Ryan Armstrong**, for co-chairing the Insurance Committee, and serving as vice-chair of the External Affairs Advisory Council and the U.S.-Japan Regional Leadership Committee

**William Bishop**, for chairing the Healthcare Committee

**Margaret Cowle**, for her work on the Women in Business (WIB) Summit

**Kojiro Dan**, for chairing the Kansai Community Service Committee

**Barbara Hancock**, for chairing the Charity Ball Committee

**Rob Jacobs**, for serving as vice-chair of the Chubu Aerospace Industry Subcommittee

**Mari Matthews**, for her work on the WIB Summit

**Megumi Tsukamoto**, for her work on the WIB Summit

### VOLUNTEER OF THE YEAR WINNERS

**Melanie Chang**, for her work on the WIB Summit

**Yoko Furuyama**, for her work on the Kansai WIB Summit

**Lori Hewlett**, for her work on the Charity Ball

**Emiko Ogami**, for her work on the WIB Summit

**Takashi Omitsu**, for his work on the Chubu Walkathon



ACCJ President Christopher LaFleur



From left: Nozomi Takasaki, Melanie Chang, and Emiko Ogami



Lori Hewlett (left) celebrated her birthday with her mother at the event.



Emiko Ogami with former ACCJ President Jay Ponazecki



# DDK Marks 20 Years

By Brandi Goode



The inaugural Diet Doorknock Conference featured three panel discussions.

**A**rguably the largest domestic advocacy initiative for the American Chamber of Commerce in Japan (ACCJ), the Diet Doorknock took place December 8–10, 2015. It was the 20th year of the event, which brought together 65 ACCJ leaders and members, to meet with about 40 Japanese government officials.

To commemorate the event, a conference was held on December 8 featuring panel discussions with government and business leaders. Experts from three industries, described as “bright spots in the Japanese economy,” spoke at the conference.

## TOKYO AS A FINANCIAL CENTER

The first seminar highlighted Tokyo’s potential to attract foreign direct investment (FDI), with Japan’s recent round of corporate governance reforms a key factor in luring FDI.

Panelist and ACCJ President Emeritus Charles D. Lake II applauded Japan’s recent financial and regulatory reforms and highlighted, among other things, its implementation of comprehensive corporate governance reforms. Reflecting on Japan’s experience as a “*sempai*” (forerunner) in recovering from past financial crises, Lake noted that Japan’s Financial Services Agency (FSA) is “poised to exercise even more leadership in the global arena.” He called for enhanced cooperation on global financial regulation between Japan and the United States.

The issue of changing allocations for pension funds in Japan was also raised. Moderator Christopher LaFleur emphasized how portability of pensions will be very important to encourage labor mobility, in addition to increasing the amounts individuals can contribute to pension accounts.

Cybersecurity, a lack of qualified Japanese financial services professionals, and burdensome set-up costs were cited as potential challenges for Tokyo as a financial center.

FSA Vice Commissioner for International Affairs Ryozo Himino introduced key FSA priorities and highlighted the importance of principles-based regulation for ensuring financial stability, while creating an environment conducive to sustainable economic growth. He noted lessons learned from past financial crises and welcomed enhanced industry–regulator dialogue to ensure a balanced regulatory environment.

... portability of pensions  
will be very important to  
encourage labor mobility ...

## CROSS-BORDER DATA FLOW, PRIVACY, AND SECURITY

In the next session, Diet member Takuya Hirai stressed that Japan needs to strike a balance between personal data protection and data utilization, including the concept of the “sharing economy.”

He also emphasized the importance of clarifying and enforcing regulations regarding personal data protection among government agencies, as this is seen as one reason Japan’s personal data protection is considered less than sufficient vis-à-vis that of the European Union. This will be discussed in the next ordinary Diet session, he said, adding that he has prepared a bill regarding data utilization in the public and private sectors.

In terms of cross-border data flow, he said that he does not intend to restrict business activities. He noted that this will be discussed in due course, most likely in 2017, as rules and

regulations are developed. Hirai also mentioned the importance of creating new services and improving productivity, which are key to achieving Prime Minister Shinzo Abe’s goal of ¥600 trillion in GDP by 2020.

Currently, the government offers subsidies to service-based companies, but many of the smaller ones—often those

located in the countryside—cannot accept the funds because they are unfamiliar with the application process and lack detailed plans for consideration. Only one-tenth of available subsidies are being used.

The second session closed with a robust Q&A session centered on the widely misunderstood My Number system.

## LENGTHENING HEALTHY LIFESPANS TO BOOST ECONOMIC GROWTH

The final panel discussion showed how Japan’s aging population presents big opportunities for innovation. Moderator William Bishop summarized the likely paradigm shift to improved productivity and lower costs, with functionality as a determinant in pricing parameters.

Panelist Dr. Hiromichi Kimura gave a presentation on other shifts taking place in Japan’s healthcare environment. In the future, he said, we should see more IT utilization, home care, self-medication and monitoring, and nanotechnology tied to remote medical care.

Overall, the panel showed how we should be inspired by the domestic wins taking place, instead of focusing on things yet to be done. ■

# Empowering Women

UN agency recognizes ACCJ leader

By John Amari



UN Women ... has a goal of ... gender parity around the world by 2030.

Mari Matthews is co-chair of the Women in Business Committee.

Last fall, in recognition of her advocacy for matters relating to women's empowerment, Mari Matthews was invited to the United Nations (UN) during its General Assembly in New York.

Matthews is co-chair of the American Chamber of Commerce in Japan (ACCJ) Women in Business Committee. The invitation was extended by the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women), a body established in 2010.

Speaking to *The Journal*, Matthews said, "I was pleasantly surprised to be selected to attend the UN General Assembly's

business discussion at a chapter of UN Women. As you may know, UN Women is quite a young agency, but it has a goal [reflected in the title of its recent gathering] of 'Planet 50-50 by 2030: Step It Up for Gender Equality,' which is a call for gender parity around the world by 2030."

Matthews—who is also co-chair of the ACCJ Insurance Committee, as well as executive officer and vice president of Government Relations at MetLife—added that, "Women's empowerment is something that MetLife, with the full and active support of CEO Sachin Shah, is advocating. We held our Shine Week side events two years in a row, which are part of the Ministry of Foreign Affairs' WAW! 2015, a symposium held by the government of Japan to help create a society where women can shine."

Born in Hokkaido and a graduate of Western Illinois University, Matthews was the sole representative from Japan at the UN Women's gathering in New York. In 2015, the global agency opened a chapter in Japan.

A trailblazer with a long-standing record of supporting women in the workforce, Matthews' role in government relations involves lobbying both US and Japanese government agencies on behalf of MetLife. She is also a member of the Keizai Doyukai (Japan Association of Corporate Executives). ■



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# Japan 2016: Towards Escape Velocity

Jesper Koll gives five reasons to be bullish on the economy

Text by Matthew Winfield

Photos by Sachiho Tani

In a densely packed conference room, nestled high above the Christmas lights of downtown Kobe's Sannomiya district, Jesper Koll once again took center stage. The focus: a confident, whistling sermon on why we should be bullish on the Japan economy.

For 90 minutes Koll's poetic references covered all matters concerning the domestic economy, his operatic presentation style dancing effortlessly over monetary indicators to fiscal policy. His message painted a montage of optimism driven by sector growth and the technological advances we can expect from the Japanese economic juggernaut moving forward.

Organized by the American Chamber of Commerce in Japan's Kansai Business Programs Committee, the presentation was the 15th event held by leader Stephen Zurcher and his committee in 2015, a record-breaking year in terms of events.

Among the voluminous topics Koll covered, five pillars of the pro-Japan movement lingered in the mind well after the presentation had concluded.

**1.** The first is regime certainty and a strong pro-business environment. As Koll illustrated with his deck of sharply designed slides, Abenomics' philosophical approach to business has started to yield fruit. With Prime Minister Shinzo Abe's administration set to retain power, consistency in leadership and policy is expected to pay dividends in the form of higher market confidence and expectations.

**2.** Japan continues to make strides in "unifying the rivalry with China." In doing so, it has driven partnerships, collaboration, and synergistic economic growth with nations in Asia and beyond. Booming Chinese exports to the United States, soaring manufacturing orders globally, and a growing Chinese middle class are bringing the realities of regional competition home to Japan.

**3.** Japan is witnessing a colossal structural savings deficit as a growing number of Japanese are spending more than they are saving, which is driving consumer growth and relaxing tension on the usually prudent, savings-driven domestic market. High corporate cash balances and Japan's low payout ratios indicate potential for continued dividend growth. Japan is beginning to witness a reshaping of a new, easy-spending middle class.

**4.** A mass of highly skilled university graduates in Japan face a cacophony of opportunities in today's bountiful job market, as compared to previous generations' job-hunting challenges. However, where much is given, much is expected. These same graduates face an almighty task to support the ever-increasing retirement populace, who will require healthcare (Alzheimer's- and dementia-care are two of the most labor- and drug-intensive therapeutic areas) and assisted aging-care well into the next two generations.



Jesper Koll is CEO of WisdomTree Japan K.K.

**5.** Japan is "cheap." An inexpensive labor market plus the low cost of borrowing remain key drivers in this equation. Preserving a competitive level for investment and Japanese prosperity remain at the forefront of the Abenomics agenda.

As the event came to a rapturous close, Koll offered some suggestions regarding what we can expect in 2016: perhaps Japan will pursue early cuts in corporate taxes; or maybe the nation will try to finally secure a cheap and stable supply of energy; and how about the notion that Japan could promote the next generation of technology, and in doing so, expand tax support for research and development?

The audience grasped onto two predictions in particular: a more active labor market focused not just on including women, but also dynamic young people, the elderly, and the emerging non-Japanese. And second, who could resist Koll's crystal-ball pick that the Japanese national Abdul Hakim Sami Brown would win gold at the Olympic and Paralympic Games in Rio de Janeiro? Now that would be something. ■

The Kansai Business Programs Committee presentation was held at Eli Lilly Japan K.K.



**Matthew Winfield** is marketing director at Eli Lilly and Company and a vice-chair of the ACCJ Kansai Business Programs Committee.



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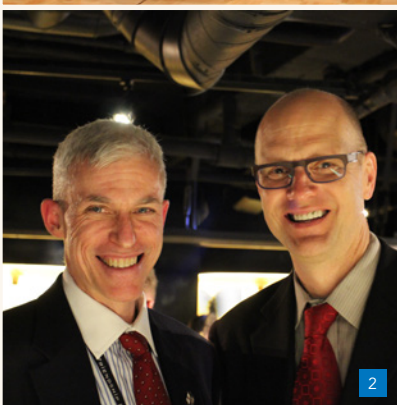
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The ACCJ is an independent membership organization not affiliated with any government or other chamber of commerce. The ACCJ is a member of the Asia-Pacific Council of American Chambers and values its relationships with Japanese, American and other nations' business organizations.

## EVENTS



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- 1 ACCJ Executive Director Laura Younger (third from left) joins Kyung-Ha Lee (center), president and CEO, Daewoo International Japan Corp., as he prepares for a toast at the 2016 Korean Business Association in Japan's New Year's Party, held on January 14.
- 2 Erick Kish (left) and Darren McKellin at the "2016 Information, Communications and Technology Committee Shinnenkai" (joint event with the Canadian Chamber of Commerce in Japan), held on January 14 at Aoyuzu restaurant.
- 3 From left: Imai Jen-La Plante; Tsuyoshi Motoki, director, Watson Solutions, IBM Watson, IBM Japan; and Kazuhiro Muto, vice president, IBM Systems Hardware, IBM Japan, at "The Big Wave of IT Transformation - Cognitive Business and Its Implications," held at the Tokyo American Club on December 10.
- 4 Mary Anne Jorgensen (right), Kansai Women in Business Committee co-chair, with Yumiko Murakami, head, Tokyo Centre, OECD, after Murakami's presentation on "The Future of Productivity," at the second session of the ACCJ Kansai Leadership Series 2015-2016, held at the Hilton Osaka on December 2.
- 5 ACCJ Aerospace Industry Subcommittee Vice-chair Rob Jacobs (center) received the 2015 Leader of the Year Award from Vice President-Chubu Chris Zarodkiewicz (left) and Governor-Chubu Britt Creamer at the Champagne Ball and Award Evening, held at the Hilton Nagoya on November 20.
- 6 The Lockheed Martin F-35 team at the Chubu Champagne Ball and Awards Evening, held at the Hilton Nagoya on November 20.
- 7 ACCJ Kansai Executive Committee members at a lunch meeting hosted by US Consul General Allen Greenberg (third from right), held at the Kobe Club on January 14.

## UPCOMING EVENTS

Please visit [www.accj.or.jp](http://www.accj.or.jp) for a complete list of upcoming ACCJ events or check our weekly e-newsletter, *The ACCJ Insider*.

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# Inbound Revolution

The hordes of international visitors encountered while taking a walk in Tokyo's Ginza district or climbing Mt. Fuji are perhaps some of the most visible evidence of Japan's transformation as a tourist superpower. However, the impact of Japan's rise has spread all the way to your neighborhood convenience and drug stores, where tax-free shopping is now possible. The "inbound" revolution is the biggest story in real estate today.

Hotels in major Japanese cities are running close to 90 percent occupancy these days, which means it is getting more difficult and expensive to secure a room, particularly on short notice. In countries such as the United States or even China, new supply is built to fulfill rapidly growing demand. Japan, as you have heard so many times before, is different. Here, a variety of legal, regulatory, and cultural issues restrict hotel development, limiting future tourism growth.

According to *The Japan Times* on Jan. 20, the number of inbound visitors for 2015 rose 47.3 percent year on year to 19.73 million, almost beating the government's 2020 target of annually attracting 20 million international tourists. Despite such growth, Tokyo's development pipeline is only about 5,000 rooms, or 4.8 percent of current supply, according to JLL. That is less than one-third of Dubai's pipeline and less than half of New York's.

While I give Prime Minister Shinzo Abe's cabinet high marks for making it easier for Chinese and Southeast Asians to obtain tourist visas, little or nothing has been done to facilitate hotel development. Japan's hotel



By Seth Sulkin,  
co-chair, Real Estate Committee;  
president and CEO of  
Pacifica Capital K.K.

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stock primarily consists of business hotels: cheap, basic properties with tiny rooms. Unlike the rest of the world, where mid-range three- and four-star hotels dominate, Japan's offerings are meager in this category between business hotels and luxury properties.

The major reason is a shortage of land ready for development. The single most transformative step that the central government could take to make more land available would be to amend the traditional lease law allowing tenants the right to stay in perpetuity. If land and building owners had a way to definitively remove tenants and redevelop their properties, Japan's huge stock of old and "pencil" buildings would quickly disappear, making room for new hotels and other facilities.

Instead, the central government is looking to legalize *minpaku*,

or Airbnb-style renting of private homes by the night, but so far the policy is full of inconsistencies.

Local governments also need to review their regulations restricting hotel development. When Tokyo Governor Yoichi Masuzoe spoke to the ACCJ in September 2015, he repeatedly mentioned the word "inbound," stressing the importance of tourism to the Tokyo metropolis. Yet Tokyo prohibits development of hotels in many desirable, central

areas such as Harajuku, Kojimachi, and Kioicho, designated as "cultural districts."

I have asked the metropolitan government as

well as Chiyoda Ward why they allow office buildings but not hotels in cultural districts, but have not received any explanation. Several of Tokyo's 23 wards also have distinctive residential building requirements, even for small projects, making hotel development impractical.

Kyoto developers also face difficult obstacles. Severe height restrictions, long archeological surveys, and highly uncertain planning processes are major deterrents to development, even though Mayor Daisaku Kadokawa is said to be a strong proponent of new luxury hotels to meet skyrocketing tourist demand.

Given Japan's bleak demographic outlook, tourism is one of the few bright spots in the domestic economy, so central and local policy makers should try a bit harder to stimulate further growth. ■

**“THE CLUB IS AN  
ESSENTIAL HUB  
FOR MANY FAMILIES  
IN TOKYO.”**

**JOHN DURKIN  
TAC PRESIDENT**



## A Bright Future

When I was elected president of Tokyo American Club (TAC) for the first time, in 2012, the situation at the Club was not good. A sizeable ¥28 billion had been invested in the Club, but the global financial crisis had decimated the Club's membership count and 2011's earthquake had aggravated the situation. The Club's financial condition was precarious.

Since then, things have completely changed. The Club has recorded three consecutive years of strong membership growth and our finances are stable. We expect to soon exceed 4,000 members, the most since the Club's founding in 1928.

TAC has become more relevant than ever to the lives of the Tokyo international community. This has been one of my main objectives.

We have improved our dining options for both adults and families, and last year we opened an American-style steakhouse, CHOP, modeled on the best venues in New York and Las Vegas. The restaurant promptly won awards of excellence.

Sports and fitness at the Club represent the best in Japan, and our fitness hours have been expanded from early morning to late at night. Lessons and classes with professional instructors are in English. Racket sports, swimming, golf, basketball, volleyball, running, indoor cycling, bowling and many other sports are all available.

We have also introduced frequent, inexpensive social events to bring together the community.

Family is key at TAC, and the Club is an essential hub for many families in Tokyo. It's a great place to grow up.

With membership approaching capacity, it's likely to become more difficult to join the Club in the future, both in terms of availability and price.

The purpose of this letter is to reach out to my friends and colleagues in the American Chamber of Commerce in Japan (ACCJ) community. The Club still has preferential, excellent-value entrance fees for the international community. Dues are comparable to high-end fitness clubs, but include a broad array of community, dining, social and cultural benefits.

The Club is a nonprofit organization, so any profits go back to the members. Last year, we were able to host free holiday shows and an event for more than 2,000 members and their families.

I would be delighted to personally sponsor any ACCJ members who apply to join the Club.

A handwritten signature in blue ink, appearing to read 'John Durkin', located below the text of the letter.

JOHN DURKIN President/Representative Director, Tokyo American Club



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