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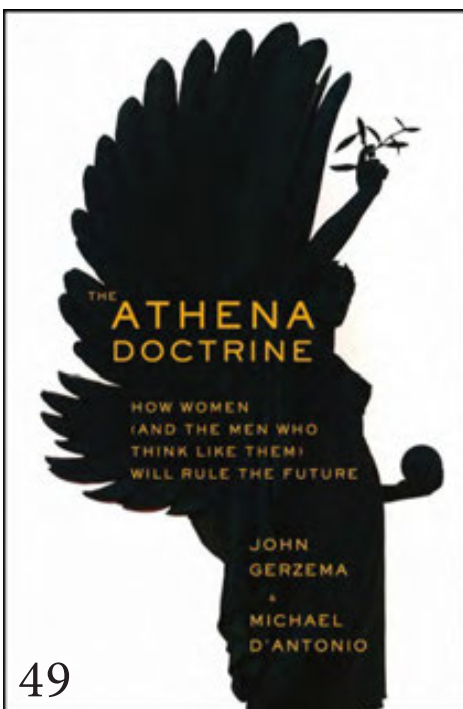


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MAINTAINING THE POSITIVE MOMENTUM



Jay Ponazecki jponazecki@accj.or.jp

I had the pleasure of leading a strong delegation of ACCJ leaders on the ACCJ's annual DC Doorknock from April 30 to May 2. We held 35 meetings with members of the Obama Administration, the U.S. Congress, Ambassador of Japan to the United States Kenichiro Sasae, several leading think tanks, the U.S. Chamber of Commerce and McLarty Associates.

We delivered a strong message, emphasizing the importance of all facets of the US–Japan relationship—commercial, strategic, geo-political and otherwise—and of the United States and Japan continuing to lead multi-party negotiations with a view of reaching a robust and high-standard Trans-Pacific Partnership (TPP) agreement at the earliest possible date.

Key sectoral themes included healthcare and strong cooperation on energy and in the Internet economy where the official dialog between the United States and Japan in both the government and the private sector continues to serve as a model of collaboration. We were heartened by what seems to be a growing refocus on Japan and the US–Japan relationship.

Among the many productive meetings we had, we were fortunate to be in Washington D.C. soon after the recent establishment of the Congressional Caucus on Japan and to be able to meet with many legislators for the first time—establishing important relationships that will remain critical as we face the prospect of TPP ratification in the future and given other key issues of interest to ACCJ members involving the US–Japan relationship.

Many thanks to Bill Bishop, Tom Clark, Andy Conrad, Larry Greenwood, Chris LaFleur, Allan Smith and Yoshitaka Sugihara for joining the delegation, to Ethan Schwalbe for setting up the meetings and to Sam Kidder, Asami Ide, Noriko Ijichi and Rie Kimura for all their support.

Global talent viewpoint

Our committee leaders have been very busy issuing viewpoints. In particular, please read a recent viewpoint which, unlike most viewpoints that provide recommendations to the Japanese government, calls on ACCJ member companies to alter their hiring practices to better accommodate Japanese students who choose to study abroad and develop skills needed in today's global economy. The viewpoint can be found at: www.accj.or.jp/images/140418_Global_Talent.pdf.

Going forward, we will likely see more viewpoints providing recommendations to ACCJ member companies.

Your feedback matters

One of my key objectives this year is to think outside the box in finding ways to enhance the membership experience of as many ACCJ members as possible. Thank you to those of you who participated in the focus groups kindly conducted for the Chamber by CarterJMRN.

The June Board of Governors meeting will be dedicated largely to hearing and acting on the results of this qualitative research. Please continue to provide us with your invaluable feedback throughout the year.

Tokyo 2020 and ACCJ 2020

We are reaching out to other foreign chambers of commerce in Japan to establish a cross-chamber leadership committee to act as a central point of contact between public sector stakeholders and the various chambers of commerce. The key goals are to coordinate activities to best support the Tokyo Organizing Committee of the Games and other public sector stakeholders and to maximize Tokyo 2020 opportunities for chamber members.

Much of Japan is focused on realizing certain goals by 2020—capturing the momentum of the 2020 Tokyo Olympic and Paralympic Games. I am sure you are developing five-year business plans and making strategic decisions based on how you would like your businesses to grow over the next five years. I have tasked the Board of Governors with discussing its vision for the ACCJ in 2020 and the steps that need to be taken now in order to realize that vision.

I also welcome hearing your 2020 vision for the Chamber. Please let me know your thoughts on how we can further leverage Tokyo 2020, what will make your ACCJ membership relevant and compelling in 2020 and how technological advances could further enhance your membership experience.

As part of this forward-looking approach and to help develop the next generation of US–Japan leaders, I am pleased to announce the launch of a pilot program this fall: the Young Professionals Forum (YPF).

It will feature peer-led programs, monthly mentor forums and training and networking activities in providing a value-added platform for young professionals to establish new connections with peers and senior business leaders.

All existing members aged 35 and younger will be invited to participate and our member companies will have the opportunity to support the YPF by providing mentors and sponsoring events.

More information will be provided as we begin marketing this exciting pilot program. •



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PHARMA, FOOD, AND FAREWELL



Megan Waters
megan@custom-media.com

For our cover story (page 18) this month, we spoke to Dr. Carsten Brunn, president of Bayer Yakuhin, Ltd.

The pharmaceutical giant, on a mission to improve people's quality of life, is developing not only new products, technologies and processes, but also business strategies and models.

The company's commitment to innovation is both inspiring and

wholly necessary in Japan, given the country's rapidly aging and declining population.

It's impressive to see an ACCJ member company at the forefront of this approach.

The recent Japan Summit, organized by *The Economist*, was held in mid April. More than 220 business leaders, policymakers, academics, and observers took part in the all-day event, at which were discussed pressing matters and timely opportunities pertaining to Japan's economy, politics, and society.

Turn to page 38 to read what Prime Minister Shinzo Abe, as well as ACCJ members Jesper Koll and Roderick Lappin, had to say about Japan's economy, regional trade agreements, and other issues.

And for those on the lookout for somewhere a bit different to take the kids, or even a date, go no further than page 46, where Max Brenner's chocolate delights are reviewed.

If you've wondered about the taste of a chocolate-and-green-tea combo, or if chocolate pizza is your thing, I highly recommend a visit to the recently opened Max Brenner chocolate bar in Omotesando, or the one in Solamachi.

It's impressive to see an ACCJ member company at the forefront of this approach [to innovation].

ACCJ summer events

With the ACCJ's biggest—and most successful—event of the year now behind us, we look forward to another month of exciting goings-on at the chamber.

Look out for next month's cover story, which will feature a run-down of the WIB Summit.

With the hottest months almost upon us, we are looking forward to such summertime ACCJ occasions as the Kansai chapter's Kansai World BBQ Classic VI, Tokyo and Nagoya walkathons, and Mercedes-Benz Japan Cup.

And finally ...

This is my last issue as editor-in-chief of the *ACCJ Journal* before I hand over the reins to my colleague and former *BCCJ ACUMEN* editor, Brandi Goode.

Having thoroughly enjoyed my time at the helm as the first female editor of this prestigious magazine, I am moving on to new pastures.

I would like to thank *Journal* readers and contributors for the support, ideas, and feedback I have received. I believe the magazine has come a long way over the past 10 months, and expect to see it continue to flourish. •

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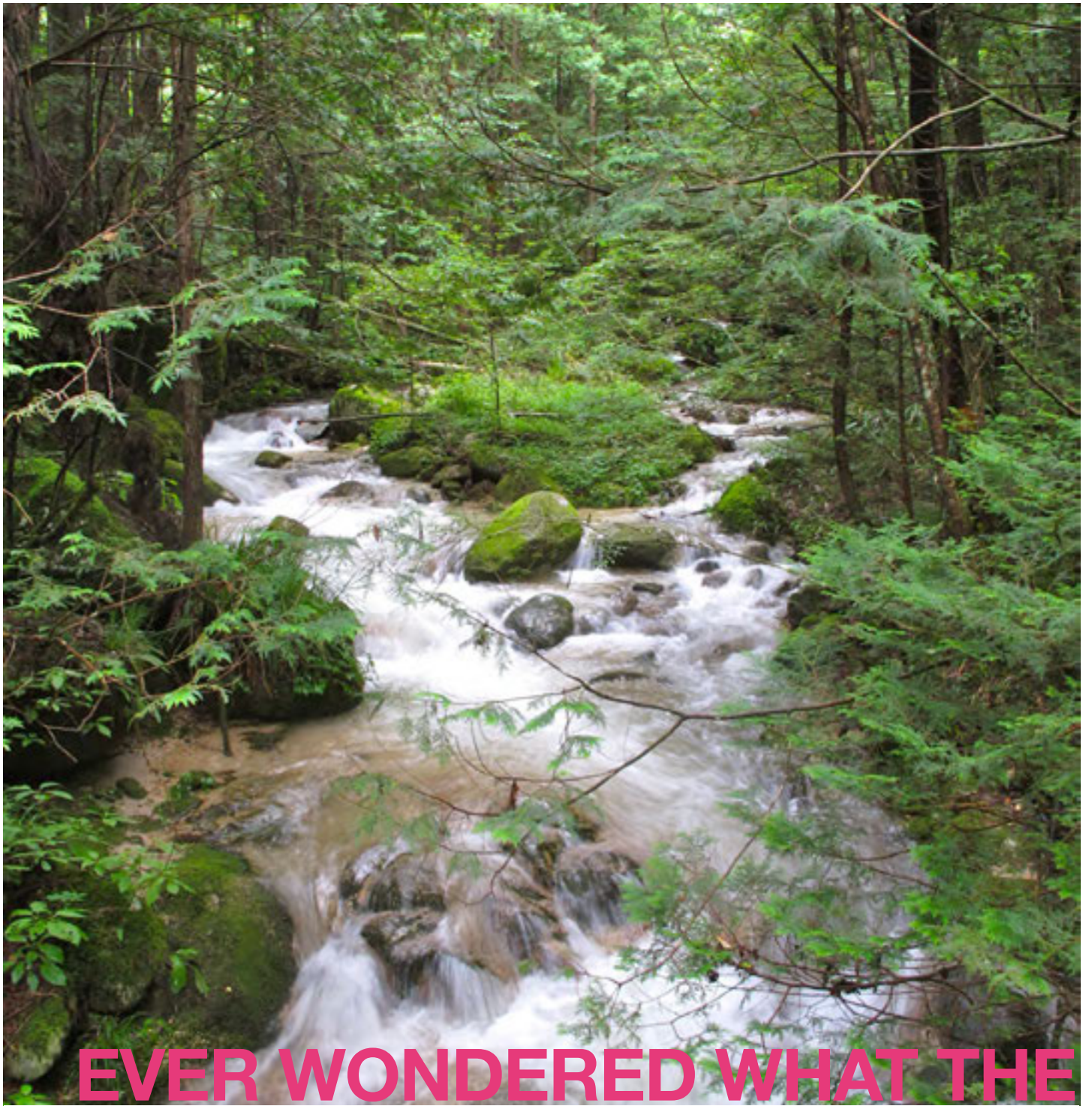
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United to Begin Daily San Francisco–Haneda Flights



United Airlines is to launch daily nonstop flights between San Francisco and Tokyo International Airport (Haneda Airport), effective October 26, subject to government approval (Japan Today, May 14).

Haneda Airport will be the 10th trans-Pacific destination served nonstop by the US airline from

San Francisco, and the carrier's third new Asia-Pacific airport, after Taipei and Chengdu, for this year.

"We are excited about adding Haneda Airport to our global route network," said Jim Compton, vice chairman and chief revenue officer of United Airlines. "By providing nonstop service from our San Francisco hub to

United Airlines operates services to both Narita and Haneda airports.

both Tokyo airports, we will maximize choice and convenience for customers traveling from across the Americas to Tokyo, and to points beyond on our joint-venture partner, ANA."

The flight schedules enable customers to use convenient public transportation between Haneda Airport and central Tokyo and Yokohama.

With the introduction of the new route, United will now operate a once-daily service between San Francisco and Tokyo's Narita International Airport.

The airline also operates daily services to Tokyo/Narita from Chicago, Denver, Houston, Los Angeles, Newark/New York, Washington D.C., Honolulu, Guam, Incheon, and Singapore.

US Companies Among Top Five Best Employers

According to Randstad Holding's global survey, General Electric (GE) is the fourth-most attractive company for which to work, while Coca-Cola is fifth (Nikkei Asian Review, May 8).

Respondents believe GE offers job security, attractive career opportunities, and good training, while Coca-Cola boasts stellar financial health and a strong management team.

German automaker BMW took the top prize, dominating such categories as competitive salary and benefits, working environment, and strong management, while Sony received high marks for its interesting job content. Third-ranked Samsung Electronics of South Korea was also recognized for its interesting job content.

Randstad surveyed about 200,000 men and women, aged 18 to 65, in 23 countries and regions. Respondents were asked to choose from a list of 50 companies that meet certain criteria, such as wide-ranging global operations.

Best Western Group Opens 184-Room Nishi-Kasai Hotel

A US hotel chain has expanded its portfolio of hotels in Japan with its second hotel in Tokyo (Japan Today, May 12).

Located in Edogawa Ward, Best Western Tokyo Nishikasai is minutes away from Nishi-Kasai Station on the Tokyo Metro Tozai Line.

"With convenient links to Tokyo's main business district and excellent facilities for the corporate market, we expect this superb hotel to be extremely popular with Japanese business travelers," said Glenn de Souza, Best Western's vice president of international operations for Asia and the Middle East.

"Connections to the lively retail and entertainment districts of Marunouchi and Ginza, as well as nearby attractions such as Tokyo Disneyland, make Best Western Tokyo Nishi-Kasai an excellent option for Tokyo's rising number of leisure visitors."

Set in a modern nine-story building, Best Western Tokyo Nishikasai offers a choice of 184 guest rooms, which feature flat-screen LED TVs and complimentary Wi-Fi. In addition, the hotel has a meeting space for up to 80 delegates.

Japan became Best Western International's first destination in Asia when, more than a decade ago, the company launched its first hotel in the country.



Best Western Tokyo Nishi-Kasai lobby

Ship Wows Crowd Near Golden Gate

One of Japan's largest sailing ships drew crowds in San Francisco's Bay Area as it was opened to the public on May 4 (*The Asahi Shimbun*, May 6).

Anchored in the Port of San Francisco, the *Kaiwo Maru* is owned by the National Institute for Sea Training, an affiliate of the transport ministry that conducts maritime training.

The *Kaiwo Maru* measures 110 meters in length and weighs 2,556 tons. The massive vessel, powered by 36 sails and two diesel engines, has been in service since its maiden voyage in 1989.

The ship arrived in San Francisco on May 2, having traveled nonstop across the Pacific after leaving Tokyo on April 5. The ship carries a crew of 158 seamen, comprising marine navigation and engineering trainees, as well as instructors.



The *Kaiwo Maru*

Tokyo Disney Resort Eyes Growth

The operator of Tokyo Disneyland and Tokyo DisneySea hopes to invest about \$5 billion to expand its portfolio of amusement parks and other businesses (*Asia Travel Today*, May 7).

Oriental Land's 10-year plan will involve expanding the Tokyo DisneySea site to occupy unused land that it owns. In addition, the operator plans to completely renovate the attractions at neighboring Tokyo Disneyland, and will consider entering into new tie-ups outside of the theme-park and hotel industries.

Oriental Land will focus on attracting middle-aged and elderly visitors who have extra time and money, as well as foreign tourists in the run-up to the Tokyo 2020 Summer Olympic and Paralympic Games.

The operator said it hopes to maintain an annual target of 30 million visitors by maximizing the theme park's core values.



Tokyo Disneyland's Cinderella Castle

Firms Plan 3D Memory Chip Joint Effort

Electronics giant Toshiba Corporation and SanDisk, a US manufacturer of flash memory storage solutions and software, plan to invest billions of dollars in improving Toshiba's capacity to produce more advanced memory chips.

The innovative flash memory devices will be able to store more than 60 times the amount of data held in current ones, without an increase in product size.

The two companies plan together to invest about \$5 billion in Toshiba's fabrication facility in Yokkaichi City, central Japan. The plant is scheduled to begin mass production of the advanced chips in 2016.

Toshiba has the second-largest share of the global flash memory market, because of the growing demand for smartphones and tablets. Company officials foresee even greater future demand from big-data-related businesses for its state-of-the-art product.

Japan Rugby Union Inks Deal with New Team Sponsor

Specialist recruiter Robert Walters Japan K.K. has signed an agreement with the Japan Rugby Football Union to become the official supplier for the men's and youth (U23-U19) Japan National Rugby team (press release, April 14).

The Japan National team actively competes on the global stage and will be participating in the 2015 World Cup in the United Kingdom with a vision to internationalize Japan Rugby.

The 2019 World Cup, to be held in Japan, should also give a tremendous



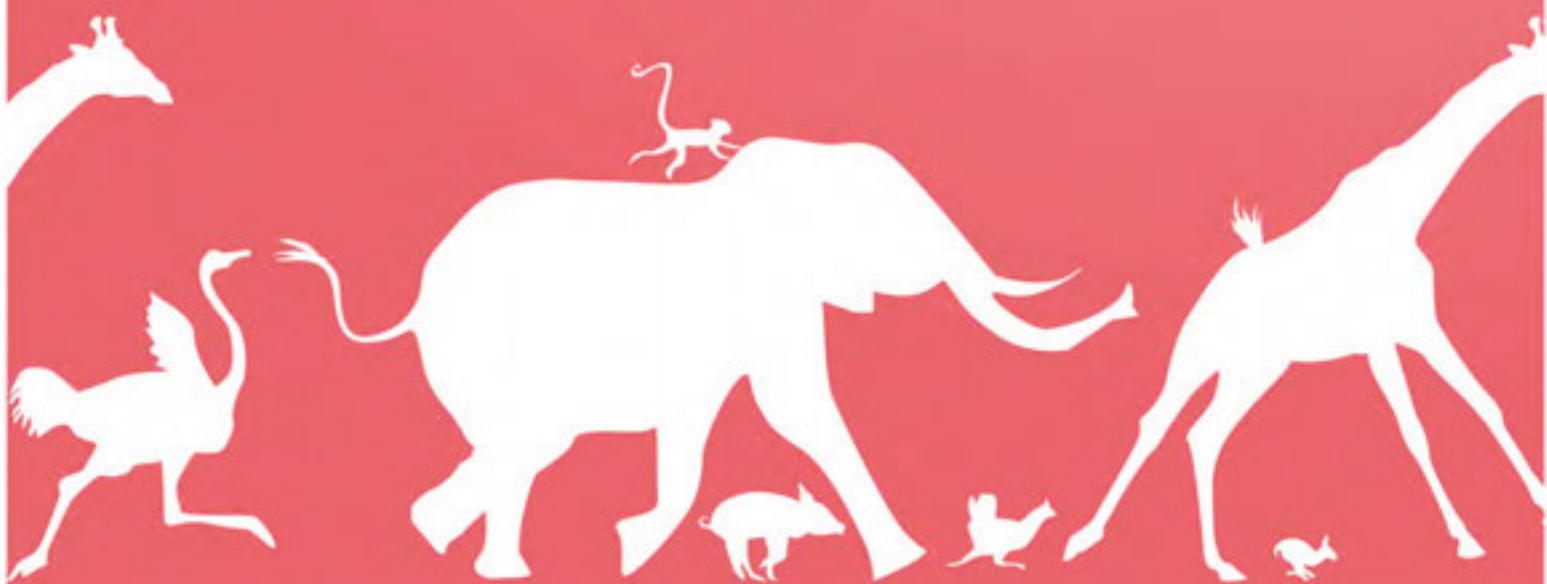
Japan will compete in the 2015 Rugby World Cup.

boost to the national team and the popularity of the sport within the country.

According to a company spokesperson, Robert Walters Japan supports specialists with a global mindset and helps international and Japanese companies hire outstanding talent and build world-class teams. Thus, they strongly identify with the union's global vision and decided to support the team by becoming the official supplier from April 1, 2014.



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DATA: DRIVING A BETTER GENDER-BALANCED WORKFORCE

By Elizabeth Handover

“Data drives decisions!” This was the first comment Janelle Sasaki heard from her mentor on announcing she was moving to Japan to take up the position as head of diversity and inclusion (D&I) at a multi-national IT company.

Sasaki was advised to find out the status of the Japan business and look at the company performance to build an effective D&I strategy.

Sasaki immediately set out to analyze the company workforce and found a ratio of 80 percent men to 20 percent women, with only 10 percent female managers. She ran a large survey across IT companies in Japan to gather external data and found the same ratio across the industry, indicating that her company was at benchmark.

Next, she drilled deeper into the analysis to look at male/female trends for promotions, hires, and terminations over multiple years.

Another critical data point was the engagement scores, which usually also include an inclusion index. Engaged employees mean more productive ones and that, in turn, drives innovation and business results. Sasaki was happy to see the inclusion index go up after one year under her stewardship.

Accumulating accurate data indicates that developing women's

talent is a big area of business opportunity and paves the way for formulating a D&I learning and development policy. Once again, the data is crucial, and measuring how many employees are subsequently promoted after completing leadership programs demonstrates the return on investment in the training.

Data alone is not enough. It is critical to build the business case into a story. Leaders are comfortable setting financial targets, but when it comes to people targets, it's tougher. They must be helped to understand that setting workforce targets is critical to drive change and business success.

Qualitative feedback is also important, and Sasaki ran focus groups across the company to talk with male employees at all levels, rather than just talking to the target female group. She communicated with senior leaders and middle managers to get a broad base of feedback on the inclusiveness of the company environment.

The data created the base on which to seek the root cause of the problem, empower mindset changes, and activate D&I initiatives. She had previously struggled to manually produce the data to support her D&I work. In reality, many company leaders are not sure of their workforce data and don't know the breakdown of male and female employees.



Janelle Sasaki at the 2014 Japan WINConference



Elizabeth Handover is co-chair of the ACCJ Women in Business Committee and president of Intrapersona K.K., Lumina Learning Asia Partner.

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Sasaki recently became the Japan Director for Gender Gap. She now has at her fingertips a cutting edge IT platform that can sit on an HR system, pull a vast range of workforce data and correlate it in multiple ways. The data is quickly and accurately turned into visual formats that easily show the problem, the area of opportunity, and provide evidence to answer difficult boardroom questions.

Having easily mined data at the ready will increasingly bring faster approval for D&I programs that will, in turn, drive a better gender-balanced workforce. •

Having easily mined data at the ready will increasingly bring faster approval for D&I programs.

THINKING LOCALLY, ACTING LOCALLY

Coca-Cola is finding new ways to respond to the changes they face

By Megan Waters

Having been with drink manufacturer The Coca-Cola Company for 24 years, Ahmet Bozer, president of Coca-Cola International, is in a good position to talk about managing the world's most recognizable brand in an increasingly complex global environment. And this is exactly what he did at the ACCJ's "Luncheon with Ahmet Bozer" at the Tokyo American Club on April 4.

"I think about how fascinating it is living in our time, as business people. If you think about the changes that are going on in the world, you will realize we actually live in a very special time", said Bozer, who, in charge of Coca-Cola in all markets except the United States and Canada, spends a remarkable 70 percent of his time traveling.

Bozer believes that new, uncharted, and encountered demands are being placed on businesses, in term of their role in society. "We, as Coca-Cola, are trying to respond to the changes around us," he explained.

So what does Bozer believe are these changes?

The first big transformation we are facing is that, according to Bozer, human beings are "very empowered."

"An individual is now able to make so much change in the world. It used to be a much more defined world. Now all these powerful people can be connected, and can be easily organized."

The second change is the "incredible demographic development" that is occurring worldwide, as a result of which more people are joining the middle classes and moving to cities.

Although this benefits the company, other issues—such as pollution and declining quality of life—are arising.

"We are at a point in time where the demographic dividend that the businesses will benefit from is very high.

"When we did our 10-year plan a few years ago, our goal was to double our business. This means that what we have accomplished in 125 years, we want to accomplish the same in 10 years. This is actually possible, and is really what the opportunities out there are all about," he said.

Bozer pointed out that economically, there is enormous wealth in the world. In many countries, however, there is a huge divide between rich and poor. And this is most worrying.

"It used to be a very defined world; you chose your side and you stuck with it. Now, however, we are in a multi-polar world and it has become very complicated, and this multi-polarization is affecting government policies."

At Coca-Cola, they call this a "cross-winds environment." But how does this affect them as a business?

"All these changes are putting an incredible pressure for change on all of us. People always ask us 'as you are a global company, do you operate globally or locally? The subject of how we operate is all influenced by this,'" he said.

In terms of branding, Bozer believes companies love to be in control, and to have the destiny of their brand in their own hands. However, the brand is really what the consumer makes of it.

"With the invention of social media, there are online conversations going

on about us around the world, every second. That affects our brand. We were very quick to put together engagement centers that are all connected together so we can answer consumers' questions.

"As the world gets more complicated, the government becomes, possibly, less effective. Or, maybe, people expect so much more from their governments that they can't get from their governments. So they look to big brands instead."

Coca-Cola has taken a very proactive approach; they have released public reports to be completely transparent

Ahmet Bozer,
president of
Coca-Cola
International





Coca-Cola headquarters in Atlanta, Georgia

in their policies and procedures with regard to human rights and corruption, for example, in Myanmar. For this, the brand has received many accolades.

Further, marketing used to be very different. According to Bozer, because consumer expectations of big brands, those like Coca-Cola, sometimes have to take a position of cultural leadership. They may have a point of view on a social issue, regarding which consumers believe the brand has a right to have a point of view.

Such social issues include sustainability. How, one might ask, can the brand play a role in driving sustainability initiatives?

“Our slogan used to say ‘we are a company that thinks globally and acts locally’. That only went so far, and we realized we needed to think locally and act locally.

“At the end of the day, we are a global company. We have to be locally relevant to the consumers in the 207 countries in which we operate,” he explained.

Coca-Cola found that they have to be locally connected with society in the

countries in which they do business, to which end they have been trying to discover the best combination of what is local and what is global.

“I believe the answer is in changing the way we work and our culture. We have to have a culture of collaboration: up and down and sideways,” he said.

The company incorporates both a top-down view and a bottom-up view, which come together to form the final solution. However, it is very important to not take anything away from the empowerment of local people.

“The only way for us to continue to grow is for our local teams to feel they have a license to create a vision for themselves, to create a plan, and to follow it. Bottom-up and top-down collaboration is the only way we could achieve both objectives. Be relevant and well connected locally, but also take advantage of our global scale,” he said.

Finally, the third big force that is requiring Coca-Cola to change and do new things is the realization that, as the company is trying to be a force for good in the societies in which

“The answer is in changing the way we work and our culture. We have to have a culture of collaboration: up and down and sideways.”

they operate. The social problems and issues are so big that there is no way any company, no matter how big it might be, can do anything by itself.

“We cannot create impact on our own. We have to be better at collaborating internally and excellent at collaborating externally. We call this our golden triangle; we have to be excellent collaborators working with governments in creating solutions to social problems.”

For example, the beverage company completed a “golden-triangle partnership” with the government of Tanzania, whereby the company worked with the country’s government and other firms to get essential malaria drugs to all parts of the country, using their supply chain expertise.

According to Bozer, the company increasingly is trying to do this, to respond to new demands businesses are getting from society.

In his parting words, Bozer asked all ACCJ members to think what can be done by businesses to help the economic transformation of Japan to succeed. •

INNOVATION FOR A BETTER LIFE

Pharma giant's advances promote longer and improved lives

Custom Media

Photos by Antony Tran

The past 12 months have seen innovation and advances here for Bayer Yakuhin, Ltd., the Japanese arm of the Germany-based pharmaceutical giant, but Dr. Carsten Brunn believes there are still many more ways in which his company can help people to live longer and enjoy a better quality of life.

"Our mission is, quite simply, Science For A Better Life," said Dr. Brunn, who was based in Beijing for two years before taking up the post of company president in Osaka in March 2013.

"The science part of that revolves mainly around breakthrough innovations. Bayer has a strong 'innovation portfolio,' and we are addressing new growth areas," he told the *ACCJ Journal*.

That commitment to innovation is not only visible in new products that are brought to market, he emphasized, but also in the technologies and processes that are used to develop them, as well as the business strategies and models that maximize the company's reach.

"And it is all about improving people's quality of life, especially for patients," said 43-year-old Dr. Brunn.

An unrivalled understanding of human, animal, and plant health also ties in with the company's position on corporate sustainability and respect for people and nature.

"This year, we introduced our Better Life Initiative, which requires our approximately 2,760 employees here in Japan to spend a minimum of 1 percent of their time working directly with our customers, to see the impact

of what they do on the people who use our products," he said. "While our sales forces have been facing customers, probably more than 50 percent of their work time, this initiative includes those working in functions that do not usually see that part of what we do.

"We want to make it clear that for us as a company, it's not only about the numbers," he added. "It's all about a better life for patients."

Founded in 1863 as a company that made textile dyes, Bayer's core businesses today are in the healthcare, crop science, and material science sectors. Bayer HealthCare is headquartered in the city of Leverkusen, Germany, and has around 56,000 employees globally. It reported revenue of €18.92 billion in 2013.

The company made its initial foray into Japan in 1911, and the Bayer Yakuhin joint venture was formalized in 1973, with the new entity based in Osaka, which remains the heart of Japan's pharmaceutical industry.

Originally from the town of Tuebingen, Dr. Brunn studied at Germany's University of Freiburg before attending the University of Washington, the University of Hamburg, and the London Business School. He now lives with his wife and son in Kobe, where he is able to indulge his passion for wine, cooking, and Muay Thai boxing.

"For us at Bayer, it is very important that we have a long-standing history and [sense of] trust with our partners," Dr. Brunn said.

Accounting for fully 10 percent of the company's annual pharmaceuticals sector turnover in 2013, Dr. Brunn

"We want to make it clear that for us as a company, it's not only about the numbers, . . . [i]t's all about a better life for patients."

emphasized that Bayer is "fully committed to Japan."

In 2013, the company achieved ¥221.5 billion in sales on a National Health Insurance price basis, an impressive 16.5 percent increase on the previous year's figures and making Bayer Yakuhin the most rapidly expanding company among the top 20 companies in the pharmaceutical industry in Japan.

"Fundamentally, this is a very attractive market for us," he said. "Japan has a large and rapidly aging population, and that is a social issue as well as a business opportunity.

"Life science is a key focus for this government and there is a stable environment in terms of regulations, intellectual property rights, and the law," he said.

And while some see the Chinese market as the next big opportunity, Dr. Brunn pointed out that the sector there is dominated by generic products and traditional Chinese medicine. In China, under 20 percent are branded products in which Bayer specializes. In the Japanese market, meanwhile, about 70 percent are branded products. Japan continues to be the second-largest market.



Dr. Brunn believes there have been some very positive regulatory developments in Japan in recent years, most notably in the virtual elimination of the delay in bringing drugs that are available in other countries to market here due to local testing requirements.

“In some cases, we see drugs being approved here faster than in Europe and we have to applaud the Japanese government for doing that,” he said.

“We also appreciate the fact that the government has introduced a price premium for innovative products, providing rewards for innovation on a trial basis,” Dr. Brunn said. “We hope to

Dr. Carsten Brunn
is president of
Bayer Yakuhiin, Ltd.

be able to convince them to make it a permanent policy.”

A number of innovative Bayer products have been launched in Japan in recent years, with the percentage of “protected products” soaring above the 60 percent threshold in 2013.

In the cardiovascular sector, Xarelto has swiftly grown to become the market leader for oral anti-coagulants, being prescribed to more than 200,000 patients in Japan and recording sales of ¥18,671 million in 2013. Global peak sales are anticipated to come to about €3.5 billion.

According to the company, the drug was tweaked for the Japanese market,

with the dose reduced from 20 mg in other countries to 15 mg here to achieve the appropriate balance of safety and efficacy.

A total of 10,000 Japanese patients are taking part in the Post-Marketing Surveillance (PMS) that commenced in 2013, making it one of the largest-ever PMSs in Japan.

Eylea has also been well received by the market here as a treatment for age-related macular degeneration, which can lead to severe impairment of central vision. That, in turn, has a significant impact on a person’s quality of life, when they have difficulty

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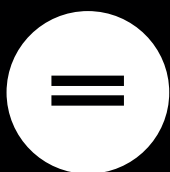
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Within 20 weeks of being released, Eylea was the leading product in the ocular antineovascularization product market, and had a unit share of more than 50 percent in the first two months of 2014.

Yet another innovative new release is Stivarga, which was launched in May 2013 and provides new options for people with colorectal cancer. Since its release, Stivarga has been added as a standard therapy in the Japanese guidelines for colorectal cancer treatment, following similar acceptance in the United States and Europe.

Now recognized as a global standard therapy for the disease,

Stivarga also won approval in August 2013 as a treatment for gastrointestinal stromal tumors (GIST). Even before the medicine was approved for GIST, Stivarga was provided as an investigational drug to GIST patients for investigator-sponsored studies.

"I am pleased that we were able to contribute to patients' health in this way and in response to strong requests from medical institutions and the GISTERS patient group," Dr. Brunn said.

Bayer also has a strong development pipeline in Japan, with no fewer than 42 clinical trials in phases two and three planned for 2014. The drugs are designed to treat everything from chronic heart failure to anemia, pneumonia, skin infections, and cancer.

In tandem with the creation of new drugs, Bayer has announced plans for an Open Innovation Center in Japan to underline its strong commitment to this country.

"This will not be a bricks-and-mortar laboratory, but exploratory collaborations at a high level with academia and venture companies. Japan has a high number of patents, but has some issues in making them commercially viable," said Dr. Brunn.

"Research here is often done in silos; we want to foster dialogue between the government, researchers, and industry," he said. "I believe this is an extremely exciting time to have come to Japan, because it is a dynamic time, a time of change," he said. •

A number of innovative Bayer products have been launched in Japan in recent years, with the percentage of "protected products" soaring above the 60 percent threshold in 2013.



A PERFECT FIT

GE's commitment to Japan ensures growth and opportunities

Custom Media

Photos by Benjamin Parks

General Electric is a company of superlatives. Every day, the corporation purifies enough water to meet the needs of 39 million people, GE healthcare technology helps doctors save 3,000 lives, and its power-generation equipment creates one-quarter of the world's electricity. And in 2012, the company filed more than 3,500 patents in the United States.

This commitment to new technology makes it a perfect fit for Japan, where it has been working with the government and private companies since it installed the first electric generator in the government's National Printing Bureau in 1886.

"When GE started here in Japan 130 years ago, it was the opportunities and the size of the market that initially attracted us," said Akihiko Kumagai, president and CEO of GE Japan.

"Japan was booming and it was time for us to penetrate this new market."

After that first successful demonstration of just what the Connecticut-based company could deliver, GE was swiftly contracted to provide the engines to power Japan's first streetcars in Kyoto, followed in 1923 by the installation of the nation's first streetlight in Nagoya.

"The strength of the Japanese market today is still technology," said 57-year-old Kumagai, who has been with the company for 30 years. "That is still attractive; there is a lot of great potential and great technology here.

"And we have found that we can identify new technology in Japan that

"Even though some say Japan is already a saturated market, there are clearly segments of that market where we can grow because need and demand exist."

we can then take to a global audience," he told the *ACCJ Journal*.

GE hosts a regular trade-matching fair that attracts companies of all sizes from across Japan. Working together with GE, these firms' products can realize their true potential on an international scale.

One company based in western Japan, for example, had devised a unique energy storage technology with applications in the healthcare sector. Now in production globally, the technology significantly reduces machines' energy consumption and comes in a compact unit.

GE is committed to working with Japanese firms across a range of sectors to develop similar cutting-edge technologies, Kumagai added.

GE has a global workforce of around 300,000 and operates in more than 170 locations around the world. It has eight distinct business units, with 70 percent of revenue derived from its industrial operations, and the remaining 30 percent from the financial sector. Its corporate financing arm is the company's largest single unit, followed by power and water, aviation, healthcare, and oil and gas; revenues totaled \$146 billion in FY2013.

The Asia-Pacific region contributed \$25.5 billion to that total, with around \$4 billion of that coming from Japan.

GE employs 4,700 workers here, where it is focused primarily on the healthcare, energy, aviation, and capital sectors. As well as offices in 50 locations across the country, it has manufacturing facilities in Hino, Yokosuka, Yokohama, and Kariwa.

The energy sector has particular appeal at the moment, according to Kumagai, as Japan explores next-generation power opportunities.

"One of the biggest challenges is finding ways to be more productive and increasing efficiency in the energy cycle because of the increasing price of imported fuels," he said. "Whether that is gas turbine, wind, or any other form of energy, we can bring a lot of experience in this area and the timing of developments is positive."

Similar opportunities exist in the area of healthcare, particularly given that Japan has the most rapidly aging population in the world.

"Even though some say Japan is already a saturated market, there are clearly segments of that market where we can grow because need and demand exist," he said, pointing out that changes in society indicate there will soon be more demand for homecare for the elderly, for example.

GE has tweaked its financial arm in Japan in the aftermath of the financial crisis that followed the Lehman Brothers collapse in September 2008. The shedding of part of its operations has resulted in the business becoming "so much healthier," Kumagai said, and means that the company can "once again start to play offense and start to grow the business."

"We tell our customers that we are not just a provider of finance, but that we are GE," he said.

"And that allows us to take a 'more-than-finance' approach, offering not only financial solutions but also GE's wide range of know-how and





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“We have a big footprint in Japan, as well as that long history and, therefore, a strong foundation here.”

expertise in management, leadership development, process improvement, and many more fields,” he added, pointing to the success of Access GE. This service is provided by GE Capital and is designed to share everything that is part of GE with its customers to help them grow further.

“We have a big footprint in Japan, as well as that long history and, therefore, a strong foundation here,” said Kumagai, who is originally from Hyogo Prefecture but lived abroad in his childhood thanks to his father’s job. “That enables us to operate in Japan as a local company—95 percent of our staff here are Japanese—but we are also part of GE, meaning we are free to leverage any of our technologies from anywhere in the world.”

And while Japan provides plenty of opportunities for a company such as GE, it also throws up some unique challenges.

Traditionally, Japan’s high-cost structure has been a hurdle, although Kumagai prefers to see that as an opportunity to seek higher productivity

through the application of IT solutions, be they cloud-based or via the internet.

“We are very focused on the industrial internet, and we opened a software development center three years ago near Silicon Valley in the United States,” he said. “We are seriously entering the software business, as there is already a large installed base of hardware and technology. If we can tie that to our software, then we can grow that sector of our business as well.”

To stay ahead of the competition, it is critical that the company has a strong marketing presence—to predict market trends and be prepared to meet different demands—which goes hand-in-hand with investment in future technologies.

“We often find that new technology developed specifically for the Japanese market is very well appreciated by the global market,” Kumagai said. “Demand from customers here in Japan is the highest in the world in terms of quality of service and high-tech specifications but, once a product has been developed here in Japan, we can take it anywhere.”

Akihiko Kumagai is president and CEO of GE Japan.

GE also sees new—and potentially huge—opportunities on the horizon with the decision to award the 2020 Olympic and Paralympic Games to Tokyo. And those opportunities are as much about benefitting society as creating new business.

“I think it will create an increasingly positive mood in the city—and we can already begin to see that—as well as have a big economic impact,” Kumagai said, adding that the advances Japan is making when it comes to meeting the needs of an aging population and a growing environment friendliness can be sustained after the Games are over and can make Tokyo “a role model that the rest of the world can learn from.”

“What I hope is that, as a result of these Games, people in Tokyo will once again build a new pride in being Japanese and in their city,” Kumagai added. “We can showcase to the entire world that even though this is a big city, it is safe, clean, efficient, and that there is a long-term strategy for the city to be friendly. And that is something to be proud of.” •

AUSSIES EDGE CLOSER TO JAPAN

JAEPA is first pact with major agricultural country

By Anthony Fensom

Japan's agreement with mutual US ally Australia on a trade deal in April, days before President Barack Obama's visit, raised eyebrows in trade circles.

Did the Aussies sabotage hopes of a bigger and better deal in the 12-nation Trans-Pacific Partnership (TPP) talks, or has Tokyo signaled it is finally ready to open up?

Former White House trade policy advisor Matthew Goodman told the *Australian Financial Review* that Washington was far from happy with the timing of the Japan–Australia pact, officially known as the Japan–Australia Economic Partnership Agreement (JAEPA).

The agreement was announced during Australian Prime Minister Tony Abbott's visit to Tokyo on April 7, barely two weeks before Obama's arrival.

"The US Trade Office is a little bit miffed Australia went ahead and settled," Goodman was quoted saying in the May 8 report, adding, "Australia settled for a quarter when we would have got half or even three-quarters."

Asked for an official comment on the Japan–Australia pact, Trevor Kincaid, deputy assistant US trade representative, Office of Public Affairs, said: "The outcome in the Australia–Japan agreement is significantly less ambitious than leaders agreed to seek in the Trans-Pacific Partnership."

Tokyo sources also noted the bemused reaction from US business representatives following the announcement, which came after seven years of negotiations.

Japanese media suggested that Australia's deal with its second-largest trading partner had put pressure on the United States to make further concessions in the TPP talks, despite growing opposition in Congress.

"Many in Japan are hoping the Japan–Australia free-trade agreement will serve as a template that will persuade Obama, and the United States, to accept a similar deal for the TPP," *The Japan Times'* Eric Johnston wrote in an April 8 report.

Obama's subsequent failure to achieve a deal during his Japan visit, together with delayed progress on the TPP talks, has left analysts speculating that an accord might not be reached until 2015, after the midterm congressional elections in November.

Double growth potential

However, others viewed Japan's deal with Australia in a more positive light, particularly over the potential for even bigger gains.

"The key issue is that the Japan–Australia trade deal is the first that Japan has ever successfully negotiated with a major agricultural country. Trade negotiations will always involve compromise. It's been an arduous process lasting more than seven years and was managed with a great deal of pragmatism," said Jesper Koll, managing director and head of Japanese equity research for JPMorgan Securities Japan Co., Ltd.

Koll said the deal had strengthened the hand of Prime Minister Shinzo Abe, demonstrating that "actions can be taken, even if they involve politically sensitive agricultural issues."

Did the Aussies sabotage hopes of a bigger and better deal in the 12-nation Trans-Pacific Partnership (TPP) talks, or has Tokyo signaled it is finally ready to open up?

"Abe, from day one in office, has made it very clear that the TPP is a key part of Japan's future prosperity," the Tokyo-based economist said.

"If you look at the growth potential of Japan right now, most people estimate it at about 0.8 percent. If all the items that Abe has put on the agenda with the third arrow [of Abenomics] were to be implemented, you could boost growth potential to 1.6 percent [and] about half the boost comes from the TPP. It is by far the single most important part of the growth strategy."

Former US diplomat Christopher J. LaFleur, ACCJ chairman and chair of the ACCJ's Financial Services Forum, said the Japan–Australia deal "probably has little impact on the US agenda. It could be argued that it now becomes a starting point for the US–Japan negotiations in those areas where there is overlap."

Commenting on Obama's visit and its implications for the TPP, LaFleur said: "There were signals ahead of the visit that an agreement was unlikely. Nevertheless, the lengthy negotiating session during the visit raised expectations. It appears that the visit did help open the way to resolution of some of the toughest issues and, if so, that should be recognized as one of the visit's accomplishments."



Anthony Fensom is a communication consultant/writer with experience in Australian/Asian financial and media industries, including six years in Tokyo.



Best deal ever

Japan has concluded trade deals (officially described as economic partnership agreements) with 13 nations, ranging from Chile to Vietnam, and is in talks with the European Union. But the pact with Australia has a broader significance.

In 2013, US exports to Japan totaled \$65 billion, with Asia's second-biggest economy representing the fourth-largest US trading partner.

For Australia, however, Japan is its second-biggest export market with A\$48 billion worth of exports in fiscal 2013, led by coal, liquefied natural gas, and agricultural products such as beef. And with estimates that completely free trade between the two countries could generate a A\$68 billion windfall for Japanese consumers and A\$19 billion for Australians over a 20-year period, the "Lucky Country" is hopeful of much more.

"Seven years is a long time, but I think we've got the best deal that we ever could [get]," said Melanie Brock, chair of the Australian and New Zealand Chamber of Commerce in Japan (ANZCCJ).

Brock gave the Australian negotiators "10 out of 10" for their efforts in negotiating a deal described by Australia's Department of Foreign Affairs and Trade as "the most liberalizing bilateral trade agreement that Japan has ever concluded."

For Australia's beef industry, it is expected lower Japanese tariffs will boost exports by A\$5.4 billion over 20 years. Other areas to gain include cheese and additional agricultural

products, along with minerals and energy; access to services will also improve (see below).

Brock also cited the benefit of the "most favored nation" status of the deal, meaning Australian exporters would receive the benefits of any further liberalization by Japan.

"Australia was able to negotiate an agreement that will bring about fairly substantial reductions in tariffs very soon. The TPP process is subject to agreement by all nations and all members of the TPP, and is therefore subject to probably quite a lengthy process of approval within the US Congress and other countries as well," she said.

Nevertheless, a TPP agreement would dwarf any bilateral deal, representing 40 percent of global trade and also the United States' largest goods and services export market.

"Our former ambassador to Japan, Mike Mansfield, used to say that the

"Many in Japan are hoping the Japan-Australia free-trade agreement will serve as a template that will persuade Obama, and the United States, to accept a similar deal for the TPP."

US-Japan relationship was the most important in the world, bar none, and that remains valid today," LaFleur said.

"In addition to the bilateral and multilateral impact, an agreement would also signal that Japan is ready to take decisive steps to address its structural economic issues. The sooner an agreement is reached, the better for all our economies."

Koll agreed, saying Japan was "ready to do a deal."

"I think it's very clear that both the United States and Japan do want to continue to be the key leaders in setting the Asian agenda. From that perspective, failure is not an option." •

AUSTRALIA-JAPAN PACT: WHAT IT MEANS

According to Australia's Department of Foreign Affairs and Trade, when ratified, the Japan-Australia Economic Partnership Agreement will deliver the following benefits for the nation's exporters.

- Zero tariffs for beer, cotton, lamb, and wool
- Tariff on frozen beef will be cut to 19.5 percent; that on fresh beef to 23.5 percent
- Cheese duty-free quota of 20,000 tons; duty-free access for certain milk products
- Sugar tariffs to be eliminated or reduced

- Zero tariffs for tomatoes, peaches, and pears as canned products
- Reduced barriers on other agricultural products including barley, canola, chocolates, honey, pork, and wine
- All industrial exports to be duty free
- All tariffs on minerals, energy products, and manufactured goods to be eliminated
- Increased access for services, including education, financial, telecommunications, and legal
- Commitments on intellectual property and investment protection

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FDI IN THE SPOTLIGHT

President Obama's visit helps boost economic ties

By Andrew Wylegala

Our story for 2014—let alone for the month—is the visit of US President Barack Obama to Japan to kick off a four-country tour of Asia to advance the Trans-Pacific Partnership (TPP) trade pact and reassure the United States' allies on security matters.

Economy matters were central to President Obama's agenda around the rim of Asia, and Japan was no exception. For starters, United States Trade Representative Michael Froman held a breakfast briefing with ACCJ leadership. And, in addition to pushing TPP along during his third visit to Japan while in office, President Obama continued his direct involvement in the SelectUSA program he launched by

Executive Order, and which Congress set up for expansion with funding this fiscal year.

At the request of the White House, SelectUSA headquarters, the Economics Section, and Commercial Service-Japan (CS-J) put on an investment roundtable moderated by Deputy National Security Advisor Caroline Atkinson.

The invitees were the top executives of 10 blue-ribbon Japanese investors in the United States and the leaders of Japan's top business chambers. Around one table was represented tens of billions of dollars in US investment, and an excess of 20,000 US-based jobs. Mid-sized firms were included in the mix, which also ranged in product line from carbon fiber to carbonated beverages.

The CEOs engaged with Atkinson on a range of investment-related issues, including the ongoing US economic recovery, energy markets, local-federal regulation, visas, taxes, liability issues, workforce skills, and crime.

Yes, Japanese business leadership has concerns about aspects of our investment climate—as well as suggestions to improve it. Yet the view of the history of, and prospects for, Japanese investment in the United States were bullish.

The numbers bear this out: Japan is our number-two investor, globally, and the absolute flows and the US share of Japanese outbound investment (about 25 percent in 2013) are up over the past few years.

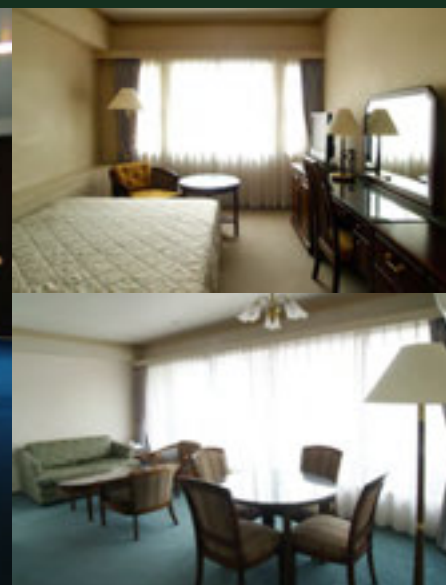
In the midst of this animated discussion, President Obama and Ambassador Caroline Kennedy joined in to offer our country's and workers' thanks to the investors, as well as President Obama's personal commitment to continue honing the United States' edge as the world's premier investment destination. Ambassador Kennedy noted her desire to see the balanced development of our two-way direct investment relationship, and wished Japan well with its counterpart initiative to SelectUSA: InvestJapan.

The event's attendees found the afternoon's exchange with the US leaders and one another so fruitful that several joined a similar panel on May 19 at the Japan Chamber of Commerce and Industry headquarters.

Recognizing the important role Japan is playing in the global effort to promote investment in the United States, Ambassador Vinai Thummalappally



US President Barack Obama at CS-J's investment roundtable.



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

Room Rates :

Daily	JPY7,800	to	JPY26,500	per night
Weekly	JPY6,850	to	JPY23,100	per night
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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.

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DAABON is a family owned and managed company built on the passion and commitment of three generations of the Davila Family. Its headquarters and farms are located in Santa Marta, Colombia. The company's first few hectares of banana in the Magdalena region, established back in 1914, have today grown into one of the world's leading suppliers of organic tropical crops, including banana, coffee, palm oil and cocoa. We employ more than 2,500 people directly, and also support local employment by providing assistance to over 450 palm and cocoa smallholders who are organized as smallholders (co-ops).

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Ambassador Caroline Kennedy, President Barack Obama, and Deputy National Security Advisor Caroline Atkinson with Japanese executives in Tokyo on April 24.

made his second visit to Japan as SelectUSA's executive director to participate in a weeklong roadshow of three such seminars, as well as meet with potential strategic partners in the Japan program, including JETRO and JCCI.

Shortly after the roadshow, CS-J will be conducting a SelectUSA event focused on the medical device sector, on June 11 in Tokyo and June 13 in Osaka. For details, call Hiroyuki Hanawa: (03) 3224-5083.

As full as our FDI facilitation agenda has grown, CS-J continues to promote US exports, full bore. During the same week of President Obama's visit, Commerce's Assistant Secretary for Export Administration Kevin Wolf kicked off a full-day seminar for more than 200 Japanese importers and re-exporters of items with both military and civilian applications.

While "control" and "promotion" might sound at odds, Wolf was spearheading a global outreach campaign by Commerce's Bureau of Industry and Security that is launching

a bold reform of the US Export Control architecture, an effort that has spanned both Obama administrations.

Through a dozen meetings and site visits, Wolf explained how the reform is boosting trade and defense-related inter-operability with Japan, even as US national security is enhanced. The ACCJ, METI, and the Center for Information on Security Trade Controls were among the organizations that received him.

The Assistant Secretary also discussed the US multilateral approach to Russia sanctions with Japanese government and industry leaders, and reiterated the promise to take a firm line on undercutting transactions, be they by Japanese or American firms.

Recent weeks featured another fully subscribed company matchmaking annual must-do event for the electrical power sector: our New Orleans Association Conference, held at TAC on May 22.

During the same week, we made common cause with NAFTA friends

from the Embassy of Canada to Japan and the Canadian Chamber of Commerce in Japan at a seminar on private public partnerships for the infrastructure works in both Japan and the United States.

As triumphant ACCJ Washington Doorknockers returned, DCM Tong and I visited San Francisco, Atlanta, and Boston to promote the US-Japan business relationship on panels co-sponsored by Commerce and DHL.

This flurry of trade activity was fully appropriate, given that May was World Trade Month. For the United States—and the global economy—the benefits of trade have been great, as have the successes of our businesses. The Commerce Department recently announced that, for the fourth straight year, the United States set a record for annual exports: \$2.3 trillion in 2013. This is a 40 percent growth in total exports since 2009.

Behind those exports are millions of well-paying US-based jobs—1.6 million more from 2009 to a record 11.3 million jobs.

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Andrew Wylegala is the minister counselor for commercial affairs at the Embassy of the United States Tokyo.

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TAKING IT PERSONALLY

OOCL Logistics achieves success through visibility and control

Custom Media

For OOCL Logistics Ltd., success is primarily a question of visibility.

“It is this commitment that makes us stand out from the competition,” said Takahisa Kashiya, managing director of the company’s operations in Japan.

“We believe it is fundamental for our clients to be able to make the right business decisions, at the right time, based on full visibility and control,” Kashiya said.

OOCL ensures this happens through technology—including its Real Time Tracking Service—that informs clients of the precise location of their products in the supply chain, permitting them to make informed decisions on the timing of deliveries, costs, and inventories.

“We believe that the pursuit of visibility on merchandise, costs, and problem-solving is essential for solving issues in supply-chain management and logistics,” he said.

And OOCL is unique in that it can leverage its global network to assist communication at the local level with suppliers.

With a parent company that can trace its roots back to the foundation of the Orient Overseas Line in Hong Kong in 1947, the logistics arm of the company was set up in 1979 and now has 92 offices in 30 countries around the world.

And in spite of that global reach, it insists on staying true to the simple philosophy of “We take it personally.”

“We are very optimistic as we believe the third-party logistics market has a lot of room to grow in Japan,” he said.

“Japanese companies can make better use of foreign-affiliated third-party logistics firms, like ours, to focus on their core business and facilitate their global business development,” he added. “And foreign companies can



OOCL Logistics (Japan) Ltd. Managing Director Takahisa Kashiya

directly supply products to the market and expand, instead of selling through the traditional route of trading houses.”

OOCL Logistics delivers across the spectrum, from fashion and chemicals to home furnishings, industrial machinery, building materials, as well as any of a myriad other commodities and products.

In Japan, satisfied customers of its international and domestic supply-chain management—including origin consolidation, freight-forwarding, customs clearance, warehousing services, and local distribution—include some of the biggest names in the global retail sector.

Kashiya insists that OOCL Logistics is “Proud to be a part of our clients’ successes and expansion here in Japan.”

Operations commenced here 16 years ago, and the company now has more than 200 staff at offices in Tokyo and Osaka, as well as warehouse facilities in Osaka, Nagoya, and Kawasaki.

To meet growing demand, OOCL Logistics created its supply-chain warehousing business in 2007 with the

ambition of increasing cost-effectiveness and flexibility for customers.

Previously, international companies found that individual distribution centers in different parts of the country were failing to communicate, thereby duplicating effort and reducing productivity—all of which served to increase costs and delay delivery times.

OOCL Logistics reexamined the system from the ground up and introduced a number of revolutionary procedures and system designs. With warehouse layouts optimized, collaborative planning—including that shared by top and on-site management—closer integration of distribution centers, and constant communication, the impact has been remarkable.

Efficiency, productivity, speed, and costs have all been enhanced; but the company is not content to rest on its laurels and is constantly seeking to inject new improvements and enhancements into its operations.

“Globally, our Hong Kong headquarters is proactively working to offer superior international and domestic logistics services and networks that enable our customers to operate the optimum supply chain processes and networks through our regional offices,” explained Kashiya.

“And for foreign firms looking to increase their presence here, our ambitions are simple,” he added.

“With our experience and the diverse skills of our employees, we are confident that we can support our clients as they tackle the unique Japanese market,” he said. •

“We believe it is fundamental for our clients to be able to make the right business decisions, at the right time, based on full visibility and control.”

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—Herbert Wilhelm, president & CEO



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—Aki Nitta, general manager



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ONE COMPANY; THREE WAYS OF DOING BUSINESS

Custom Media

It may have taken five years to satisfy the exacting demands of the Japanese Customs Authority, but Schenker-Seino Co., Ltd., has at last been granted Authorized Economic Operator (AEO) status. And that's going to have positive repercussions for the company, its partners and—most important—its clients.

The company, which is headquartered in the German city of Essen, is the first foreign logistics provider with heavy cargo forwarding services to receive a certification that is regarded as a benchmark in the industry.

"It is an international customs initiative on procedures, compliance, and security that is designed to put as many companies as possible in the supply chain on the same level," said Herbert Wilhelm, president and CEO of the company.

"And if all those firms are working to the same standard, then that will make the entire process smoother and safer," added 56-year-old Wilhelm, who is originally from Frankfurt, but who has lived in Japan for 17 years.

As well as reducing paperwork, the certification means that cargo carried by Schenker-Seino is subject to significantly fewer inspections, thus expediting the clearance process and saving time for the consumer.

"We believe this is making us more attractive because it shows we have a high standard of operations and if those involved in the process—shipper, forwarding company, customs broker, consignee—have the same certification, then it will make the process significantly quicker," he said.

Experts in moving items—from the small and precious to the large and bulky—by land, sea, and air, the company employs 480 people in Japan, operates from 19 locations between Sapporo and Okinawa, and has its main hubs in Tokyo, Yokohama, and Osaka.

Meanwhile, the Japanese market remains particularly demanding, with customers here expecting a degree of service above and beyond what would be expected elsewhere.

"Product levels are high, service levels are equally high, and in many cases we are asked to complete claim documents when a box is not in perfect shape, for example, but would be totally acceptable elsewhere," Wilhelm said.

But that is not a bad thing, he insisted, as it encourages the company to be the best it can be.

"I tell my colleagues in other parts of the world that, if they are able to completely satisfy a Japanese customer, then they have it made," he said.

The AEO recognition coincides with two important milestones in the company's Japan operations: 2014 marks the 50th anniversary of Schenker's business here, and the 12th anniversary of its joint venture with domestic logistics giant Seino Transportation, from where is derived the double-barreled name used in Japan.

Schenker initially went into alliance with Nippon Express and opened its first Japan office in 1964.

A second arrangement, with the forerunner of MOL Logistics, operated between 1979 and 2002, when Schenker signed the joint venture agreement with Seino.

"We have a European influence, we have a Japanese mentality toward service, and we have American spirit."

The arrangement benefits both sides, Wilhelm pointed out, as it gives Schenker an ally with a vast domestic distribution network, while Seino is able to leverage Schenker's international reach and experience.

In 2007, a third international element was added to the mix when Deutsche Bahn, Schenker's parent company, acquired the US transportation firm BAX Global. In Japan, the result of the merger was a near doubling of the scale of operations.

And Wilhelm is keen to emphasize that he is teasing the best elements out of three quite different ways of doing business.

"International transportation is what we do, but we have three parts that fit neatly together," he said.

"We have a European influence, we have a Japanese mentality toward service, and we have American spirit."

As well as doing business across borders and having a multi-national mindset, Schenker-Seino also benefits from a group of employees drawn from across the world.

"We are quite our own little United Nations," Wilhelm said. "We have people of 16 nationalities in the company, and that makes a big difference in our working environment. I believe it makes it an attractive place to work for people who are international in their outlook and that can only help our business." •

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2014 GLOBAL RANDSTAD AWARD

Sony runner-up in most attractive employer poll

By Megan Waters

Presented to the most attractive employer, the Randstad Award, for the first time in its 14-year history, has announced a global winner.

Out of 50 eligible companies, BMW claimed the sought-after top spot, with 61 percent of the vote, while Sony Corporation was named first runner-up, and the Samsung Group second runner-up.

Randstad surveyed about 200,000 men and women aged between 18 and 65 in 23 countries and regions. Respondents were asked to choose from a list of 50 companies that meet certain criteria, such as wide-ranging global operations.

The Japanese electronics company received high marks for offering interesting job experience, but lost out in other categories including salary and working environment.

"In today's increasingly mismatched global labor market, strong employer

brands are crucial to attract and retain the right talent," said Randstad Holding CEO Jacques van den Broek.

"Reasons why people choose certain employers differ greatly. There is no single set of characteristics that will attract everyone. Employer branding is highly nuanced, individual, and multi-dimensional, and creating a compelling brand is, therefore, more of an art than a science.

"Nations, companies, and individuals all have slightly different desires, and an employer brand ought to try and showcase the things that cause an organization to be unique," he said.

The award is special in that companies cannot apply or pay to take part in the survey, and the prize is the only one that represents "the people's choice." Further, to eliminate the advantage well-known organizations could have over lesser-known ones, Randstad uses relative attractiveness as the decisive metric. This is the score

The Japanese electronics company received high marks for offering interesting job experience.

indicating where a person stands, within a specified normative sample of respondents who know the company and would like to work for it.

Finally, the Randstad survey not only measures overall attractiveness, but also positions the companies on criteria that define the attractiveness of an employer. This information can then be used to improve a company's attractiveness.

Through the Global Randstad Award process, it has been revealed that employer attractiveness has increased by 4 percent globally year on year.

IT was found to be the industry sector that was most attractive to employees, with Life Sciences and Consulting the next most attractive industries in which to work.

Past winners of the Randstad Award experienced a positive impact on the quantity and quality of job applicants.

According to Tomoko Adachi, HR general manager of second-place Sony Corporation: "Sony as a brand has a longstanding history and we are proud to be held in such high regard across the global marketplace.

"As a global company we offer broad opportunities for our employees and we remain committed to seeking unique and talented individuals who share our passion for giving customers the very best experiences in any products and services we deliver." •



Tomoko Adachi, Sony Corporation HR general manager, receives the runner-up award from Marcel Wiggers, chairman and CEO of Randstad Japan.



THE JAPAN SUMMIT

Symposium details key issues for a brighter future

Custom Media



Prime Minister Shinzo Abe: Japan now has “a golden opportunity to put the economy onto a stable, new growth track.”

Netherlands in March that we would focus our efforts going forward into concluding negotiations.

“We intend to overcome our mutual differences and together forge a sturdy economic order for Asia and the Pacific in the 21st century,” he said. “We wish to create an unshakable foundation for growth.”

Arguably the most unexpected part of his speech dealt with Abe’s intention to open Japan’s doors to “highly motivated and ambitious young people,” who want to pursue job or education opportunities, while he also expressed the need to move away from a male-oriented way of thinking in the workplace.

As well as requiring that 30 percent of all personnel hired by the national government are female, Abe is now calling on listed companies “to add at least one woman as a board member.”

Abe’s comments were critically examined by analysts and business leaders from a wide array of backgrounds, with the broad consensus that the government is on the right track—although much remains to be achieved.

“Everything that Mr. Abe said shows that he wants Japan to be a player and to be at the center of the highest growth area of the Asia-Pacific region,” said Jesper Koll, managing director and head of Japanese equity research for JPMorgan Securities Japan Co., Ltd.

“Japan does not want to be on the periphery, and that’s a good thing,” Koll said, adding that he believes there has already been steady progress in addressing the economy and that

Japan’s economy, regional trade agreements, immigration, and the frequently precarious state of regional security dominated discussions at the Japan Summit 2014, although a majority of those taking part expressed a broad sense of optimism for the immediate future of a nation that has experienced a testing couple of decades.

Organized by *The Economist* and held at the Hotel Okura Tokyo on April 17, the day-long symposium opened with an address by Prime Minister Shinzo Abe that balanced his administration’s achievements to date with his ambitions for the months and years ahead.

Underlining his belief in a future that appears rosier than Japan’s recent past, Abe said the nation has “a golden opportunity to put the economy onto a stable, new growth track.”

“The economic policy my cabinet is pursuing must, this year, enrich each and every individual and deliver the fruits of growth to every corner of the nation,” he said.

Abe explained he intends to achieve this by making the most of Japan’s geographical advantage at the very heart of the booming Pacific rim region; second, by utilizing strong demand in developing Asian nations for Japan’s machine tools and capital goods; and, third, by opening the domestic economy to embrace “outside vitality, along with human resources, capital, and wisdom from abroad.”

Critical to this will be a series of trade agreements, the most important of which will be the Trans-Pacific Partnership, for which negotiations with the United States are ongoing.

“I confirmed with US President Barack Obama at The Hague in the

“We wish to create an unshakable foundation for growth.”

There is a wider need to encourage young Japanese people to go abroad to study and experience different corporate cultures before bringing that know-how back to this country.

there is “a sense of urgency” in the government’s actions.

Turning to the impact of the three arrows of the prime minister’s much-vaunted Abenomics reforms, Takatoshi Ito, a professor at the National Graduate Institute for Policy Studies, said the first arrow (monetary easing) had been “a great success that has really changed the economic scene.”

Stock prices are up and the over-appreciation of the yen has been corrected, he pointed out.

The second arrow (fiscal stimulus measures) had also been a success, he said, adding that the rise in the consumption tax in April had been a needed measure.

“But the third arrow is somewhat disappointing,” Ito said, referring to Abe’s vow to bring about the structural reforms required to shake up and reinvigorate the national economy.

“I thought the changes would have come much earlier,” he said. “We desperately need action, not more talking.”

Koll was more upbeat on the government’s third arrow achievements to date, pointing out that it had taken the bold step of breaking up the monopoly that previously permitted nine utilities to exert complete control over the power-generating sector.

“This deregulation is creating new investment opportunities for entrepreneurs to invest in Japan for profit,” he said. “I’m really happy because Japan is one of the few countries that is talking about changing the structure of its economy. In Europe,



Roderick Lappin is vice president of the Lenovo Group Ltd. and president of Lenovo NEC Holdings.

in comparison, there is no debate on one of the most ineffectual agricultural policies that exists.”

Commenting on the prime minister’s speech, Gerald Curtis, a professor of political science at Columbia University, agreed that “some things have been accomplished,” but cautioned that Abe still has a lot of items on his agenda.

“The next three to six months are going to be a critical time for this administration and it is time to deliver,” he said. “If Abe cannot deliver, there will be skepticism about his lack of specificity.”

The three key issues as the administration moves ahead will be corporate tax reforms; opening Japan up to foreign guest workers; and taking on vested interests, particularly in the health sector, Curtis said.

“If Abe is able to make three big announcements on these items, then the third arrow will look like it is happening,” he said. “But if it is not happening by September, then the market reaction will be that these are pretty words, but they don’t have much substance.”

“These next six months are absolutely critical for Mr. Abe.”

A panel discussion later in the day addressed the issue of Japanese companies wasting the talent they have in their workplaces, as well as the changes—in education and attitudes—that will have to take place for the nation to remain competitive.

“I think the talent here in Japan is very inward-looking and it is very

hard for a company like ours to find creativity and flexibility in the workforce,” said Roderick Lappin, vice president of the Lenovo Group Ltd. and president of Lenovo NEC Holdings, its joint venture in Japan.

“From the education system through to an employment system that pulls people in, hiring here is quite a challenge for us,” Lappin said.

Yukiatsu Akizawa, chairman and CEO of Heroes’ Edutainment Co., Ltd. and the founder of the ampm Japan chain of convenience stores, suggested that the rapid economic growth of the last three decades had created a generation of people who are “complacent about their situation” and children who have no dreams about their futures.

The foundation aims to forge a new generation of children who, once they embark on a project, have the “spiritual strength” to not give up, as well as that all-important dream to chase.

Lappin said there is a wider need to encourage young Japanese people to go abroad to study and experience different corporate cultures before bringing that know-how back to this country.

“Fewer Japanese are interested in going overseas than ever before,” he pointed out. “We have some great companies in Japan that are becoming globally competitive—firms such as Fast Retailing Co., Ltd. and Rakuten, Inc.—that have flexibility, creativity, and a passion that is lacking here but which we need to drive back into society.” •

STOP DESTROYING YOUR BUSINESS



Leadership cancer is quietly killing organizations.

Careers are cut off at the knees and businesses destroyed when people problems are allowed to fester. Getting the people part right is not just fundamental, it is critical in any business.

Ironically, we are all taught to believe that “hard skills”—our technical expertise—is the main requirement for success. The reality is that if the people skills part is not working well, no amount of technical expertise will compensate for the damage being done to the business. Poor, mediocre or uninspiring leadership is easy to spot. However, there are other types of problematic leadership that are not so immediately obvious, but which must be fixed.

Smart, capable people get promoted and are given responsibility for others. This is usually because they have demonstrated a mastery of the “hard skills” areas of the business. The challenging part is that often these admirable and highly evaluated skills are individual to that person. Those working for them, by definition, do not possess the same capability level. Also, individual expertise may not be replicable or transferable to others. Another additional problem is that having the requisite hard skills is not enough. You can’t do it all yourself and so leaders need to be able to delegate and leverage the capacity and ability

of others. This requires expertise in the soft skills—particularly leadership, communication, and people skills.

As the famous baseball coach Yogi Berra wryly noted, “Leading is easy. Getting people to follow you is the hard part.” The vast majority of companies mention they need more out of their people. They especially look to the leader groups, particularly middle management, to provide this capability. Most often they complain that those responsible for others are not getting sufficient leverage from the whole team and are not producing sufficient outcomes.

Global Research Reveals Surprises

The breakdown occurs when individual technical expertise does not provide enough of what followers want from leaders. Recently, global research was conducted on what drives followers to be loyal, motivated, and engaged about their organizations. This research was duplicated in Japan and the three key factors were found to be the same:

1. The quality of the relationship with the immediate supervisor
2. The employees belief in the direction the senior leadership were taking the organization
3. Their sense of pride in working for the organization

All three pivot points refer to “soft” not “hard” skills. They are indicating issues about communication and people skills. This is often the weak point for technically oriented people; they are often very detail-driven, high task-focus individuals. Communicating with, leading, enthusing, and motivating others are expertise areas where they struggle.

If the lynchpin for engagement and motivation hinges on expertise in these areas and those given responsibility for leading are underperforming, then the full potential of the team will never be realized. If the full potential of the people is not being realized (and given people are usually the biggest expense line in any organization), the “opportunity cost” is very, very high. This is like a leadership “cancer,” quietly killing the organization.

Engagement Levels Count

If your competitor has a more engaged team, then the outcomes, the quality of idea generation, teamwork, accountability, coordination, attention to quality, and going the extra mile for the client will be superior. They outperform you in innovation, because they are getting more people to care more. They are inspiring them to want to be an integral and valued part of the improvement process. They will soon be eroding your market share and will ultimately destroy your business.

The four major business skills (leadership, communication, sales, and presenting) are all soft skills. Hard skills alone are just not going to do it. Companies and individuals who want to succeed need to invest to completely marshal the full power of all their potential—their “people power.”

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BUSINESS CONFIDENCE STILL HIGH

By Megan Waters

Members of some 17 foreign chambers of commerce and business organizations indicated in the spring 2014 FCIJ Business Confidence Survey that they feel positive about the Japanese economy, although this was a slightly lower level than in the previous survey (October 2013).

The latest index—on a scale of +2 (strong improvement) to -2 (strong decline)—is +0.46 compared with +0.89 for the October poll; indicating that respondents expect the economy to grow over the next six months.

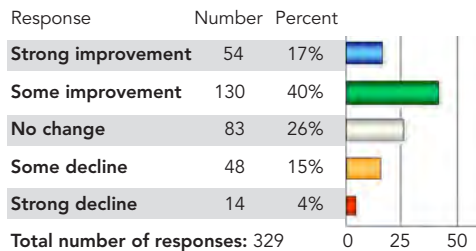
Looking 12 months ahead, the pollees see further growth, on a level similar to that forecast in the previous survey. The index is now +0.70 compared with +0.75 in that survey.

The continuing positive views on the economy were also reflected in the companies' respective reported and projected performances.

Sales are currently at their highest levels since the spring 2006 survey,

Profitability during the past six months

Index **+0.49**; April 2014 (+0.45; October 2013)



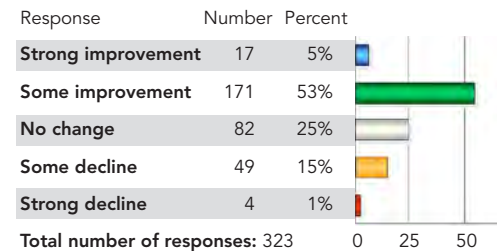
while profitability is +0.49, compared with +0.45 in October.

Regarding sales forecasts for the coming six months, respondents were slightly less optimistic: the index is +0.79 (+0.87 in the previous survey). However, the profitability forecast was stronger than indicated by the October survey (increase from +0.57 to +0.60).

The optimism reflected in the company performance data clearly shows that the strategies of foreign-affiliated companies in Japan remain bullish. Some 81 percent (79 percent in October) of respondents are looking for further growth, 15 percent expect

Japan's economic situation for the next six months

Index **+0.46**; April 2014 (+0.89; October 2013)



to sustain their current levels, 3 percent are planning to downsize, and 1 percent are considering leaving Japan.

Concerning the consumption tax rate hike, 60 percent of the pollees indicated that they believed it would have little or no negative effect; 25 percent expected it to have a strong, but short-term, effect; while 7 percent anticipated it would have a strong, long-term negative effect.

In terms of the weaker yen, 61 percent of respondents had experienced some, or a strong, negative impact; 26 percent had felt no impact.

The next survey will be conducted in October 2014. •

To view the complete survey, please visit: www.fcc.or.jp/fcij/bcs.html.

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BAD PRESENTATION SKILLS BREAK YOUR BRAND

By Dr. Greg Story



When we present, be it in an internal meeting or in the public arena, our personal brand is being evaluated. In the case of public presentations, there are two brands being scrutinized: ours and our organization's.

We judge companies and organizations based on our exposure to their people. In a public setting, we leave the presentation either impressed or otherwise, based on the performance of the representative. Uh oh!

Every month, I attend about eight to 10 public presentations and, as a public speaker, I have conducted nearly 500. I see simple things that detract from the message because the delivery is so unprofessional. We know that when the delivery component of what is being said and the message itself don't match, the message is almost totally lost.

The irony is that the worst offenders continue to bang away regardless. They believe that the quality will outweigh any personal flaws they may have in getting the message across. "My content is good so I don't have to be a good presenter", "The quality of the information is more important than some mumbo jumbo presentation skills", or "I know I am not a good speaker, but people came here for the data, not for me."

Delusional is the best word to describe this thinking!

Make no mistake, we judge you and your data. We make assumptions about your professionalism and your organization's credibility based on what we see and hear.

Bosses: please do not send technical experts to speak publicly, who are clueless and guaranteed to tear your brand asunder. Give them the proper training, prepare them, and make them

We make assumptions about your professionalism and your organization's credibility based on what we see and hear.

a brand ambassador and a brand saint!

Below are some recent presentation examples where mistakes easily could have been avoided.

A reasonable presentation by someone who had extensive experience in the industry was severely diminished by three errors.

The first was to use the screen as a prompt for the content. He ignored the audience and looked back toward the screen, thereby surrendering the opportunity to make eye contact with the audience.

Turning your back on your listeners precludes you from watching for their reactions or to drive home the key points by using your "eye power."

The second problem was a common one: the misuse of Microsoft PowerPoint. Too much detail on a screen is hard to digest, it diffuses the key point being made, and distracts from *you*, the main part of the presentation.

That is right: *you* are the main part of the presentation, not what is on the screen. We buy *you* and your information or point of view comes with the purchase.

Another unfathomable choice was the use of color. Red on black is always going to be a losing proposition from a message clarity point of view, especially on a busy screen.

Regarding projection tools, another presentation I attended used a wall-mounted whiteboard as the screen. Too much reflection of strong white projector light off the shiny whiteboard, combined with black text on a white slide background produced snow blindness. The content became insipid and hard to read. A better choice would have been white text on a dark-blue background for contrast; a relatively simple but highly effective change.

Another self-inflicted wound to the hapless hero's personal brand was Q&A time. We are all 100 percent in control during our presentations, but this is all out the window once the floor is opened up to questions. If you know what you are doing, you never lose control of the proceedings, even when you plunge into the black hole of question time.

Now on to another day, a different presentation, and a different set of unforced errors.

Take careful note of the venue at which you will be speaking. If you are trained properly, the layout will tell you immediately what you need to do to accommodate the various peculiarities on offer. This particular venue was special; quite wide but not so deep, with the screen in the middle.

The speaker chose to use a microphone when, for the size and layout of the venue and the power of his voice, it wasn't necessary.

Use a microphone when you need to be heard, otherwise give up the option. Using a microphone means you have only one hand free for gestures and are often locked into the positioning of the microphone on the podium so you are restricting yourself.

Further, the propensity is to get stuck behind the podium! This means half your body is no longer visible to the audience so you are unnecessarily giving up access to half of your body language.

Shorter people should be very careful. I have seen many a combination of high podiums and a bobbing talking head, just making it above the waterline—not a great look.

Arrive early and check how you will look from the bleachers, before you get up to speak. Ask the organizers to get you something to stand on or, even better, get rid of the podium.

The final nail in the coffin for our speaker was his foot placement. When we stand with our feet facing a certain angle to the audience, our upper body is positioned so we are unconsciously favoring one side of the room. Our speaker ignored half his audience.

Better to stand with the feet facing at 90 degrees to the audience (this means our shoulders will face nicely forward) and just rotate your head, so your eyes can use their "eye power" with every pocket area of the room.

The final example, this time done by a group of speakers, was the high-risk nature of technology.

Video and audio are great—when they work properly. There is nothing as brand destructive as when your IT person is one of the speakers and they can't get the equipment to work.

Video and audio are great—when they work properly. There is nothing as brand destructive as when your IT person is one of the speakers and they can't get the equipment to work.

Make sure that the benefit of using video is worth the risk. If it isn't really, really central, then just drop it and replace it with something a million times more powerful: *you!*

If you do need it, then load all the speakers' videos on one laptop (and have a fully loaded back-up), embed the video (don't even think of using Wi-Fi) and test it beforehand, for all presentations.

If something goes wrong anyway, don't grab the toolbox and try get under the hood. Rather, abandon the video and just tell your audience the key points you wanted to get across.

Keep tap dancing and move onward! Don't let your audience become bored contemplating the hair on top of your head (even if ravishing and luxuriant) while you visibly panic with eyes looking down at the keyboard.

These are a few examples of brand destroying, unforced errors from the front line that can be easily fixed. There is no excuse: get clued up, get the training, and stop embarrassing yourself and your organization. •



Dr. Greg Story is president of Dale Carnegie Training Japan.

STEVE PARKER: COBBLER, CON MAN, OR CHEAT?

By Robert Whiting

Steve Parker was one of the more memorable individuals I interviewed as a journalist in Japan. He was one of the first Tokyo denizens I met when I first arrived in the city in the early 1960s.

I was introduced to him by a mutual acquaintance at the popular nightclub, Club 88. Parker was, according to former publisher and editor of *Tokyo Weekender* Corky Alexander, the “unofficial mayor” of the US community in the city at the time. The community numbered some 7,000 US residents—not counting the US military that largely confined itself to the outskirts of the city.

Parker was a theater and film producer who was married to well-known actress Shirley MacLaine. As he liked to tell people, he was born in Germany, and, as the son of a State Department official, had grown up all over the world.

He said that, during World War II, he had been a paratrooper and spent much of his time in New Guinea, where he developed an interest in the theater and helped organize shows before being sent to Hiroshima immediately after Japan's surrender.

After the war he moved to New York where he struggled as an actor, but met and married rising new star MacLaine, who was appearing in the hit Broadway musical *The Pajama Game*. The couple relocated to Los Angeles as her career took off.

Tired of being known as Mr. Shirley MacLaine, Parker moved to Japan in 1956, and the two maintained a Trans-Pacific, and famously open, relationship for nearly 30 years.



Steve Parker married well-known actress Shirley MacLaine in 1954.

In Tokyo, Parker developed a successful musical revue extravaganza—*Holiday in Japan*—that starred some of Japan's biggest singers and dancers. He took the revue to Las Vegas' New Frontier Hotel and Casino in July 1959. The show featured 60 performers, medieval costumes, rock and roll singers, and startlingly nude dancers.

It introduced the United States to post-war Japanese culture—and, in turn, introduced Japanese show girls to American-style slot machines.

A year later, in November 1960, he staged a benefit in the same city for victims of a typhoon in Nagoya, Japan. He recruited some of Hollywood's biggest names—Bob Hope, Jerry Colona, Lucille Ball, Zsa Zsa Gabor, Sammy Davis Jr., Donald O'Connor, Debbie Reynolds, and Vic Damone—with his wife serving as Master of Ceremonies. He charged \$50 a plate, auctioned four expensive samurai swords for \$200–300 each, as well as a child's kimono for \$275. The cream of

Tokyo society attended, including top kabuki actors and other celebrities.

A charming, rakish, back-slapping bon vivant who stood 5' 9" tall and had a Clark Gable mustache, Parker was a fixture of Tokyo nightlife. He was a patron of Tokyo's teahouses where geisha sang and danced and served drinks, and was also a regular at the glitzy big-band hostess clubs such as the New Latin Quarter and the Copacabana with their imported shows.

He dined at expensive restaurants every night and had Dom Perignon champagne for breakfast. Parker was famous for the raucous parties he threw at his big ranch-style house in Shibuya with its huge garden, koi pond, stone fountain, and cherry trees.

Parker had a permanent suite in the Halekulani luxury hotel on Wakiki Beach in Honolulu, Hawaii; a chalet in Italy; a yacht in the Mediterranean; and land in Nasu, Japan, which is now surrounded by golf courses and ski resorts.

In his wife's long absences, he held up his end of their famously open marriage, engaging in a long-term relationship with a former teahouse maid named Miki Hasegawa, who frequently stayed at the Shibuya house.

In 1958, his two-year-old daughter, Sachi, by Shirley MacLaine, came to live with him. As the story went, Parker had gotten word that a Mafia boss was planning to kidnap Sachi as a means to “appropriate” MacLaine's talent. Thus, Shirley agreed that Sachi would be safer in Japan.

The daughter lived in Tokyo until the age of 12, and attended the prestigious private Nishimachi International School.

Parker was not the only Western con artist to move to Tokyo and seek his fortune in the year following the end of World War II. But he was certainly the most inventive.

In 1962 Parker produced the movie *My Geisha*, which was filmed in and around Tokyo, as well as in Kyoto and Hakone. During production, MacLaine's co-star, the French actor Yves Montand, bet Parker he could seduce Parker's wife. Parker lost the bet, and MacLaine (unaware of the wager until it was too late) and the Gallic heartthrob went on to have a steamy affair.

The unofficial mayor also had a dark side. He was a serious drinker and, according to Al Shattuck, proprietor of Club 88, Parker was "better known as a disagreeable drunk in most of the clubs, especially the Copacabana . . . A drunk and a troublemaker . . . Knowing Steve as I did, I find it hard to believe that Steve ever did anything for charity and I find it hard to believe that he had a charitable bone in his body."

Parker told conflicting stories. He had told his wife that he was the son of a diplomat stationed in Germany, but told Alexander that his father, in fact, was a sea captain who had won a battlefield commission in New Guinea.

And his life was shrouded in mystery. Howard Baron—a business associate of Parker's, and former president of the Tokyo American Club who was fired for embezzling funds from the institution—was found dead in Parker's Hong Kong office. He had been shot while working for the infamous black-market group, the Khaki Mafia.

In Sachi Parker's autobiography, *Lucky Me*, she described how Parker paraded around the house naked and sometimes invited her, still in primary school, to sleep in his bed with MacLaine and himself in the buff. She

wrote that he once took her to an all-male bar where the waiters were naked and stirred cocktails with their genitalia.

She also recounted episodes of violence, and watched her father erupt in anger and brutally attack a girlfriend with his fists.

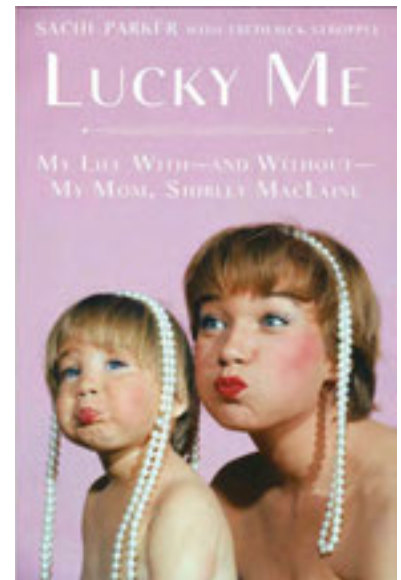
According to Sachi, she discovered after many years that her father was simply a con artist—albeit one with great skills of persuasion.

In her book, she describes how he tricked his wife into believing he was a clone of an extra-terrestrial named Paul (who was the "real father" of Sachi) and persuaded MacLaine to send him \$60,000 a month to support a secret NASA mission in hyper space, 43 light years away from the Earth, of which Paul was a vital part.

According to Sachi, MacLaine, who long believed in extra-terrestrial life as well as reincarnation, swallowed the story completely. Convinced she was helping the US government defend itself against aliens, she made the payments every month for 24 years.

She sent the checks directly to Parker, thinking he was forwarding them to his NASA contact, and didn't realize he was using the money to fund a lavish lifestyle for himself and his Japanese mistress.

Sachi Parker's autobiography, *Lucky Me*, describes her colorful life with her mother and father.



When MacLaine finally realized the truth, in 1982, she stopped payments and filed for divorce. Just before he died in 2001, Parker admitted to his daughter that it had all been one giant con.

MacLaine called her daughter's autobiography "almost all fiction." However, in one of her own books, *My Lucky Stars* (1995), she described her ex-husband as a "con man" and "cheat," who was not the son of a diplomat but a cobbler, who had never been a paratrooper or seen battle, and who was not one of the first troops into Hiroshima as he had claimed.

She claimed Parker had squandered the millions of dollars she had deposited in their joint account and left her bankrupt by her mid-forties.

Parker was not the only Western con artist to move to Tokyo and seek his fortune in the year following the end of World War II. But he was certainly the most inventive. •



Robert Whiting, 71, is an author and journalist who has written several books on modern Japanese culture, including *You Gotta Have Wa* and *Tokyo Underworld*. Whiting first came to Japan in 1962 with the US Air Force Intelligence, where he worked for the National Security Agency in the U-2 program. He graduated from Tokyo's Sophia

University in 1969 with a degree in Japanese politics.

He went on to become an informal advisor with the Higashi Nakano wing of Tokyo's second-largest criminal gang, the Sumiyoshi-kai, and worked for Encyclopedia Britannica Japan as an editor until 1972.

His first book was *The Chrysanthemum and the Bat*.



MAX BRENNER'S CHOCOLATE CULTURE

By Megan Waters

On a warm evening in mid April, I indulged myself; I dropped in at the recently opened Max Brenner Chocolate Bar in Omotesando. It is a haven for chocolate mavens and those who simply have a sweet tooth. Yes, this purveyor of chocolate culture would certainly win the approval of Willy Wonka.

In November 2013, the New York-based chocolate bar opened in two Tokyo locations: Omotesando and Solamachi, near the Tokyo Skytree. While the Brenner brand already has 52 locations around the world, plans are underway for further expansion.

From small beginnings in 1996, the founder dreamed of creating a chocolate culture worldwide by encouraging people to experience chocolate with the five senses. As business thrived, Max Brenner operations expanded, with each providing a variety of decadent chocolate-based desserts, crepes, milkshakes, waffles, and hot drinks. Many of the offerings are served in signature utensils. They are designed to enhance the Max Brenner experience and tell their own story.

There is the Hugmug, made to be held in both hands, so the warmth and fragrance of the beverage can create a sense of coziness; and the Alice Cup,

inspired by Alice's Adventures in Wonderland, which plays on the fantasy aspect of drinking chocolate. Both the beverage containers and the Max Brenner selection of chocolate-based goodies are available for purchase and make perfect gifts.

Having warmly welcomed me, Manager Rieko Kida carefully explained the Max Brenner concept and talked me through the tantalizing and all-too-tempting menu.

Kida had her first taste of Max Brenner on a visit to Australia some years ago. Impressed by the smooth chocolate taste and fun concept of the chocolate café, she hoped the brand she loved would open in Japan. So, when her wish came true late last year, Kida moved from her hometown of Kobe to take up the position of manager in the Omotesando store.

The knowledgeable Kida further related that most ingredients are made on-site, and the menu is almost exactly the same as that in the New York restaurant. And, on occasion, chefs from the United States even visit the Tokyo franchises to ensure the quality of the ingredients.

That said, the dishes have been tweaked slightly to better suit the Japanese palette; they are slightly less sweet than those served in the United States. Surprisingly, however,

The lively music, modern décor, and unusual menu attracts a wide variety of chocolate lovers.

portion sizes are almost the same as their stateside counterparts so, Kida believes, they are best for sharing.

This rang true as I noticed that most of the clientele around me on the night were couples, although Kida assured me that the lively music, modern décor, and unusual menu attracts a wide variety of chocolate lovers. Families with young kids are sure to love the chocolate factory feel.

With the delicious smell of chocolate overwhelming my senses, I set about placing my order, with ample guidance from Kida.

White Chocolate Green Tea, served in a Hugmug.





Chocolate Chunks Pizza



White Chocolate Lemon Crepe Pasta

First, I selected the White Chocolate Green Tea, an item initially made exclusively for the Japan market. Although not a big fan of green tea, I found this unusual combination drink absolutely delicious.

The taste buds noted the subtle green-tea flavor after the first tang of chocolate. Served in a Hugmug, the thick and warming drink was a very sweet and delectable treat.

Next, Kida recommended a slice of the Chocolate Chunks Pizza, one of the most popular items on the menu.

Unlike the US café, the pizza comes with only one choice of topping: marshmallows with milk- and white-chocolate chunks, melted to create a chocolate sauce that covered the soft, doughy base of this rich and generously sized treat. For those tempted to order a whole pizza (six slices), I recommend they bring along a small army of helpers.

Last but by no means least, I tried the White Chocolate Lemon Crepe Pasta on the special seasonal menu. A Raspberry Chocolate Smoothie and Mandarin Dip complete the spring offerings, which are served until the end of August. Each season features a limited-edition menu, which uses appropriate flavors and ingredients.

The light and fluffy crepe, cleverly presented to look like pasta, was topped

with a dollop of caramel ice cream, white-chocolate shavings, and a sharp blueberry jus, with a base of lemon cream.

This not-too-sweet spring dish was, by far, the best among the items I tried. Although an unusual combination of flavors, the smooth, tangy lemon dressing perfectly complemented the lighter tastes, sending my taste buds into overdrive.

For those seeking something other than chocolate, the Max Brenner Bar is not the place. Besides chocolate items, the menu has only sparkling water and a selection of tea infusions.

The Omotesando café has 40 seats, including table and counter seating. But chocolate lovers remember: delicious treats only come to those who wait.

According to Kida, lengthy queues of up to three hours can be expected at the Omotesando branch on weekends. The best time to visit is on weekday evenings, when there is not so much of a rush. The Solamachi branch is much quieter. Unfortunately, reservations cannot be made at either branch.

There is a take out menu for those wishing to get their chocolate fix at home, in the office, or at a party.

My first Max Brenner experience will not soon be forgotten. The dishes are a delight and have been prepared with care and a great amount of attention to detail. •

Each season features a limited-edition menu, which uses appropriate flavors and ingredients.

White Chocolate Green Tea..... ¥600

Chocolate
Chunks Pizza..... ¥420 (slice)

White Chocolate
Lemon Crepe Pasta..... ¥1,300
(available until August 31)

Opening Hours (Omotesando):

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L.O. 22:00

11:00–21:30 (Sunday)
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maxbrenner.co.jp



The Omotesando branch opened in November 2013.

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THE VALUE OF A MORE FEMININE APPROACH

By Vicki L. Beyer

After the 2008 financial crisis one often heard the question “What if Lehman Brothers had been Lehman Sisters?” The implication was that more feminine approaches to risk and business operations might have averted the financial crisis.

John Gerzema and Michael D’Antonio have picked up on this theory in their book, *The Athena Doctrine: How Women (and the Men Who Think Like Them) Will Rule the Future*, in which they concluded that “femininity is the operating system of the twenty-first century.”

This is especially interesting coming from two men, but note that they are *not* concluding that women will rule the world. They are positing that the world is ready for, and indeed desires, a more feminine style of thought and approach, whether applied by men or women.

Gerzema and D’Antonio have employed methodical data analysis in their work. They conducted two surveys across 13 countries (including the United States and Japan). In the first survey, they asked respondents to identify 125 behavioral traits as masculine, feminine, or neither. In the second survey, they asked a separate set of respondents to rate the importance of those same 125 traits to specific virtues, such as leadership and success, with no reference to gender. They then correlated these results to draw conclusions relating to the masculinity or femininity of traits the survey respondents identified as important to leadership, success, morality, and happiness in our time.

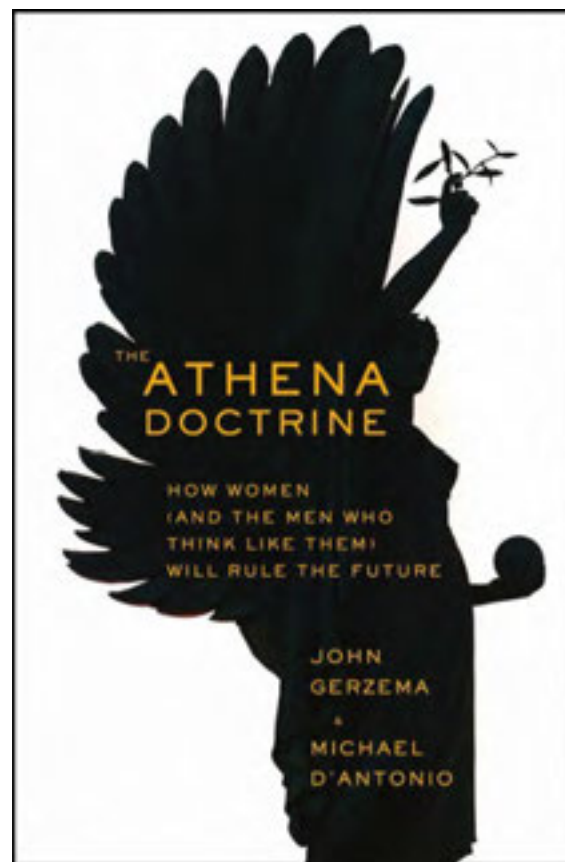
There was a high level of consistency across age, gender, and culture in terms of the extent to which traits were perceived as masculine or feminine. But one standout result was that “nearly two-thirds of people around the world—including the majority of men—feel that the world would be a better place if men thought more like women.”

The introductory chapter provides details of the survey results, including some easily digestible charts. Some of the results are astonishing. For example, 79 percent of Japanese men say they are “dissatisfied with the conduct of men in my country” (compared to 54 percent of men globally). Other results are perhaps more predictable.

While these survey results are quite interesting, it is the subsequent chapters that are truly inspiring.

The authors identified a number of up-and-coming enterprises exhibiting the “Athena-style approach” in each survey country. These enterprises ranged from entrepreneurial efforts and educational initiatives to governmental reforms. One thing the enterprises have in common is that they value more than just bottom-line profits or cost efficiencies. Instead, they look for a balance between economic success and quality of life.

In Japan, the authors examined two efforts growing out of the recovery efforts in Tohoku, as well as a nationwide support network for young mothers and a ladies’ handbag shop in Ginza that sells top-quality bags produced in Bangladesh through the shop owner’s efforts to introduce



manufacturing skills as a means to fight poverty in that country.

Other chapters highlight similarly diverse efforts in the other surveyed countries. Many were entrepreneurial and Internet based, but there were also efforts of local governments (Medellin, Colombia), military (Israel), and even national tourism boards (Sweden) that demonstrated a flexibility one might not expect from such long-established institutions and evidenced the notion that “people are recognizing that feminine skills—communication, listening, and being flexible—are becoming more essential.”

Just as the efforts were diverse, so were the people behind them. About half of the featured enterprises were started or run by men, reiterating the fundamental premise of the book: a particular “Athena-style approach” is in the ascendency. And this approach, while identified by the survey results as “feminine”, can be employed by anyone.

As Athena is the Greek goddess of wisdom, there is knowledge in this book that is well worth taking the time to absorb. •



Vicki L. Beyer is a vice president of the ACCJ.

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1 — ACCJ President Jay Ponazecki at the chamber's annual Spring Meet & Greet at the Shangri-La Hotel Tokyo on May 15.

2 — ACCJ Kansai Vice President Kiran Sethi (left) and Shuji Kobayakawa, assistant director-general of monetary affairs, Bank of Japan, at "The Bank of Japan (BoJ) and You." The event was held at the Knowledge Salon, Grand Front Osaka on April 2.

3 — Jesper Koll, managing director and head of Japanese equity research for JPMorgan Securities Japan Co., Ltd., presents his annual review at "Jesper Koll: Good 'Abenomics,' Bad 'Abeism?'—Risks and Rewards in Japan's Revival" at the Tokyo American Club on May 13.

4 — ACCJ Kansai members and guests wear masks at the "Spring Meishi Exchange—Theme: Mardi Gras" at the St. Regis Osaka on April 17. The masks were specially prepared by the hotel for the event.

5 — Harry Sullivan (right), principal officer at the Consulate of the United States, Nagoya, receives a local baseball team's uniform from the ACCJ Chubu External Affairs Committee at his farewell party at the Hilton Nagoya on April 11.

6 — Anne Noewari (left), aerospace sales and marketing specialist, and Greg Robinson, ACCJ Aerospace Industry Subcommittee Vice Chair, kick-start the first event of the "Aerospace Seminar Series; Sales/Marketing: Let's Make a Deal with Commercial Aircraft" at the Coat of Arms Pub and Restaurant on April 2.

SPRING EVENTS

Please visit www.accj.or.jp for a complete list of upcoming ACCJ events or check our weekly e-newsletter, *The ACCJ Insider*.

June 8

Kansai World BBQ Classic VI (KWBC VI), Hyatt Regency Osaka

June 12

Nomunication: ACCJ and American-Japan Society

June 27

More Effective Sales: Learn to Understand Your Buyers

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MORE COLLABORATION AND COOPERATION



Samuel Kidder

So how are we doing with collaboration and cooperation? You will remember, or if you've forgotten you have now been reminded, that as the chamber kicked off the year ACCJ President Jay Ponazecki declared that the ACCJ initials can best be understood as standing for Collaboration and Cooperation between America and Japan. And this phrase can be applied to many aspects of the chamber's activities.

On the advocacy front, we met with leaders of the *Keizai Doyukai* (The Japan Association of Corporate Executives) to discuss how we could best work together to encourage the Japanese and US governments to make progress on the Trans-Pacific Partnership (TPP) negotiations.

Our discussions led to an agreement to prepare an advocacy document. In the run-up to President Barack Obama's visit to Japan and his meeting with Prime Minister Shinzo Abe, we issued a joint statement that made it clear to

It is imperative to have help when putting together major events.

both governments that support for a robust TPP agreement is a shared goal for the business communities in both countries.

And while we are on the topic of advocacy, in March our Internet Economy Task Force, in association with *Keidanren* (the Japan Business Federation), put out their own US-Japan Internet Economy Industry Forum Joint Statement which clearly outlines areas where US and Japanese companies can collaborate and cooperate.

While it is helpful to have allies when we are advocating, it is imperative to have help when putting together major events.

For years our Chubu Chapter has been working with the Nagoya International School to stage the Chubu Walkathon. The chapter initiated the annual event; a tradition that has now spread to all three chapters.

The partnership with the Nagoya International School, a pairing that has been going strong for years, has made the Chubu Walkathon a very prominent event not only for our members, but for the broader Nagoya community.

Our biggest indoor event of the season, and maybe for the year, was also a team effort. Combining the organizational strengths of the ACCJ with the prestige of the U.S.-Japan Council, with its unequaled network of Japanese and American leaders, we co-hosted the Women in Business Summit. The sellout event attracted hundreds of participants in a full-day program that focused on Japan's need to take advantage of its women as an engine of renewed economic vigor.

But not to worry. ACCJ won't get too carried away with this collaboration and cooperation theme. If what you're looking for is contention and competition, we have that on the schedule too.

Just sign up and show up at Atsugi Kokusai Country Club on October 10 with your putter and help us collaborate and cooperate with the Canadian Chamber of Commerce in Japan as the North American team prevails over our friends from the European chambers in the 12th Mercedes-Benz Japan Cup. •

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